The Financial Post

The Canadian Newspaper for Businessmen and Investors

Vol. XLI — Fifteen Cents an Issue, Five Dollars a Year — Publication Office: Toronto, March 8, 1947 — Member of Audit Bureau of Circulations — No. 10

World Bank Director

Announcement is shortly expected that Governor Graham Towers of the Bank of Canada will be named Canada's executive director on the World Bank. This new "part time" job for the internationally famous Mr. Towers underscores Canada's vital interest in the success of this important new loaning body—a body before whom have already come requests for loans of $2 billions, money which in some measure will be raised in Canada and which, in turn, may help some of Canada's best customers to get back on their feet. The new president of World Bank is John J. McCloy of New York. It is Mr. McCloy who has insisted on getting a number of new top-flight banking and business leaders on the bank as executive directors. The full board comprises 12 executive directors.

THE NATION'S BUSINESS

Britain's Recovery Is Our Concern Too

There is some reason to believe that Britain is on the point of abandoning the present rigid pattern of export trade and placing more of her products where they will do most good in easing her financial burden. It is to be hoped both for our own sake and Britain's that this is true.

Aside from sentiment, Canada has a major if not vital stake in the prosperity of Britain, because in normal times she buys approximately 40% of our exports and sells us 20% of our imports.

Key to British recovery, as a United Kingdom White Paper pointed out last week, is greater export. But London economists add that a new orientation of those exports is also vital. So far the great bulk of them, 86% in fact, have been going to sterling or soft money areas, where, in most cases, Britain already has ample credit, while only 14% have been going to the dollar countries, Canada and the United States where British credit is most critical. At the same time 46% of British imports have been coming from the dollar countries. The net result, as might be expected, is an estimated dollar deficit of $1,400 millions this year, and early exhaustion of the Canadian and American loans.

The present British trade policy was aptly described by the Whaley Eaton Foreign Letter in this way:

> "The authorities insist that they must look after old customers, and any suggestions that they ought to export more shirtings, or shirts, for that matter, to (dollar areas) is countered by the argument that (a) such things are in short supply and (b) Zingoland depends entirely on Britain for shirts and always has and therefore Zingoland must be taken care of first — regardless of whether it has any real currency, hard or soft, or indeed any money at all."

In her present perilous situation Britain simply cannot afford the luxury of "looking after" old customers that cannot afford to pay in hard money or essential goods. There is far too high a percentage of "dollar" cost in her exports to permit them to be sold on easy terms in soft money areas. A far larger proportion of her export must go to the dollar areas of Canada and the United States.

It is to be earnestly hoped that Canadians and Americans will welcome and understand a new flow of British exports or services. Without a strong and prosperous Britain there will be little hope for permanent peace and happiness in Europe; little hope for a permanent and profitable market for Canadian produce abroad.

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No Bonanza for MLH & P Owners

After nearly three years of waiting, shareholders of Montreal Light, Heat & Power Consol. have finally received an offer worth considering for their stock. The price is $25, either in cash or bonds.

It is not generous from the shareholders' point of view. Investors paid more than this as late as 1943 (the properties were expropriated on April 15, 1944) and as high as $37¼ a share in 1937 and $42¼ in 1933. Earnings in 1943-44 were showing an upward trend and the company was paying a $1.50 annual dividend which would make the shares worth $37.50 valued on a 4% basis.

According to Quebec Hydro's figures, it has been estimated that earnings of $1.69 a share would have been shown in 1945 after allowing for heavy income taxes and a $3 million reduction in rates in addition to those actually granted.

Premier Maurice Duplessis justifies the offer by saying "Mr. Potvin, who was for many years president of the Quebec Municipal Commission, and George McDonald, who is one of the principal accountants of the country, expressed the categorical opinion that this transaction is just for everyone and constitutes under the circumstances the most advantages for the province." It would be interesting to know how they arrive at this price now, as they were on the Commission at the time of the first ridiculous offer.

In all likelihood, sufficient MLH&P shareholders will accept the offer to make it binding. This will by no means indicate that they think the $25 offer is fair. Many see it as the only quick means of getting out of a bad investment. They feel it is better to get their cash and re-invest it rather than await the result of a lengthy arbitration.

Once 51% of the shareholders have accepted, the rest might as well follow suit. Their shares will be of no value to them except by sale to the Quebec Hydro Commission, which, having control, can follow whatever policy it desires. This element of coercion in itself is not desirable.

In all fairness to Premier Duplessis, it should be noted that it was not his government but that of his predecessor, Mr. Godbout, which expropriated Montreal Power. But within six months of this act Mr. Godbout was out and Mr. Duplessis was in. On the latter must rest the major blame for the long delay and heavy loss in settlement to shareholders.

Premier Duplessis points out that the Godbout Government "had expropriated the property without making any offer to the expropriated party, which was contrary to legal and traditional custom in such matters."

That being the case, it is unfortunate that his government did not act more promptly after the expropriation. The latter procedure is seldom fair to all the owners of any large utility in any case, but to delay the settlement as in this Montreal Power case only aggravates the harshness.

Red Rock Project Crux In St. Lawrence Fight

Control of Three Big Pulp and Paper Companies at Stake in Financial Battle for $15 Million Holding Company

By JAMES H. JOYCE and ARTHUR STYLES

A financial battle of major importance is now under way in the fight for control of St. Lawrence Corp., a $15 millions holding company. Earlier expectations of a compromise settlement would now appear to have disappeared.

At stake also is control of three large operating pulp and paper companies. St. Lawrence Corp. controls the $15 millions St. Lawrence Paper Mills Co. through ownership of 99.625% of its common stock and the $20 millions Brompton Pulp and Paper Co. through ownership of 99.65% of its common stock. In turn St. Lawrence Paper Mills owns all the preferred and 86.17% of the common stock of the $17 millions Lake St. John Power & Paper Co. (See accompanying chart).

On the one side is the present management. On the other is Arthur F. White, who recently resigned as board chairman and a director of St. Lawrence Corp. and as vice-president and managing director of St. Lawrence Paper Mills and Lake St. John Power & Paper.

Strong and important financial interests are apparently lined up on each side. (The Financial Post, Mar. 1). In the background, at present holding a watching brief, is Premier Maurice Duplessis representing the Province of Quebec. Because the Quebec Government controls the timber limits, Premier Duplessis holds a key position with regard to the company's welfare.

Precipitating Mr. White's resignation and the battle is believed to be Brompton's Red Rock project. The underestimate of its cost is said impairing Brompton's ability to pay dividends—at present the sole source of revenue to St. Lawrence Corp. Neither side will say what other reasons, if any, may be behind the flare up.

Negotiations are now said either under way or already completed for sale of Brompton's over five million cords of low-cost accessible wood represented by the Outardes limits in the lower St. Lawrence to interests of Col. R. R. McCormick of the Chicago Tribune. In this latest development some observers see a way out of Brompton's financial situation without dividends being endangered. Observers also say that the limits would be suitable to St. Lawrence Paper Mills if they were not sold.

Disagreement over the Red

(Continued on page 4, col. 2)

Return to Parity Sound Ottawa Still Convinced

Financial Post Article Focuses Attention Anew on Exchange "Crisis", But Authorities Defend Revaluation of Dollar

OTTAWA (Staff)—It may be stated without reservation that Canada's so-called exchange "crisis" has not altered the conviction of government advisers as to the wisdom of the return to parity of the Canadian dollar last July.

Publication last week by The Post of the Palyi article together with year-end trade returns and the recent blunt warning of Governor Towers of the Bank of Canada, have all focussed attention very sharply on this top-ranking fiscal problem of dollars-sterling "inconvertibility." The Palyi article has been widely discussed here. It brings into the open, fears and doubts which have been current for some time.

The whole situation also serves to point up the necessity for more prompt reports on the operations of the Foreign Exchange Control Board. Observers here feel some steps might well be taken by Parliament to reduce the present 5½ months lag in making public operations of the Board. As the law now stands, the Board need not report to the Government until five months after the close of the calendar year. There is then a 15-day period before this report need be tabled.

Obviously, until the world's economic health shows marked improvement, there will be continued questioning of Canada's position. Periodic reports from FECB would, it is felt, aid in keeping the facts straight.

It is not admitted that the exchange difficulties now facing this country were aggravated by the allegedly "mistaken" policy of a sudden return to dollar parity last July. In fact, there is no admission that the return to parity was a mistake. Nor is there any admission that Canada's position today has very greatly deteriorated in comparison with the blunt and prophetic statement given last August by Governor Towers before the Senate Committee on Banking and Commerce.

The Towers statement was not given very great prominence but in view of the present discussion, it is highly significant. Mr. Towers, discussing the FECB control bill, told senators:

That "it would not be surprising if the current account deficit in U. S. dollars for the next two years was half a billion or more."

That Canadian securities payable in U. S. dollars will mature or will become callable in amounts aggregating more than $500 millions, of which "substantial amounts" will be repatriated.

He summarized: "It follows from what I have said that we see a reduction of more than $600 millions in our U. S. holdings over the course of the next two years. Our holdings of gold and U. S. dollars might be cut in half."

At that time, the latest available figure as to Canada's available supply of gold and U. S. dollars was $1.5 billion. Thus it is clear that Towers envisaged at that time a drain of something like $600 to $750 millions in the two-year period ending midsummer, 1948.

Precise figures will only be-

(Continued on page 2, col. 5)

"Bureaucracy" Balks Exports Strachey Told

Say U. K. Goods Which Canada Seeks, Are Diverted Elsewhere.

OTTAWA (Staff) — If representations made recently to John Strachey bear fruit, some additional exports from the United Kingdom to Canada may materialize in 1947.

During the Strachey visit, this subject of U.K. exports to Canada came very bluntly into the open. The British Minister of Food was inclined to be critical that Canadians were not using more British goods. Some Canadians were equally blunt in telling him of many U.K. items which were desperately needed in Canada but which were being "routed" by British "bureaucrats" to other parts of the world.

Doubtless Mr. Strachey will report on this when he gets back to Whitehall, but whether anything will come of the report is highly problematical. For as understood here, this is a matter which is repeatedly under fire in U.K. and which, so far, has consistently been turned aside. One of the latest decisions was highlighted in an important statement by Sir Stafford Cripps last year, in which he announced a decision not to interfere in "directing" exports to dollar areas.

Reasons commonly given by Britain for the meagre supplies that find their way to dollar areas like Canada, include (a) that the need of western European countries is often much more desperate than is that of Canada; (b) that it hesitates to interfere with highly important "profit" margins such as can be obtained from a country like India; (c) that an elaborate licensing machinery would be necessary to direct exports to Canada.

Wheat Treaty Seen Facing Bad Weather

From Our Own Correspondent

WINNIPEG—For many years, the weather and world prices have made wheat Canada's biggest gamble.

Stabilization of the international import-export market is one aim of the International Wheat Council which meets in London March 18. Just what the ultimate effect might be, no one is prepared to say until closer study has been made of the draft agreement tabled in the House of Commons. (Summary of the agreement will be found on Page 18 of this issue of The Financial Post.)

The agreement becomes effective only if enough exporting and enough importing countries sign it to give reasonable promise of its workability. Even that is in doubt.

It is thought Canada, Great Britain and Australia are likely to sign an agreement in something approximating its present form. Other importing countries are expected to be hesitant, due to the fact that no one is undertaking to supply them with wheat at the maximum, or at any other price. Canada can't, because for the next few years

(Continued on page 2, col. 5)

Provincial Corporation Tax Planned Under Ottawa Pact

Ottawa To Collect 5% On "Net Corporate Income," and Remit it to Six Provinces—Double Taxation Possible Elsewhere.

By KENNETH R. WILSON

OTTAWA (Staff)—Six provincial governments are preparing to impose a new 5% tax on "net corporate income within the province" effective April 1, 1947. The levy is to be collected by the Federal Government on behalf of Prince Edward Island, New Brunswick, Manitoba, Saskatchewan, Alberta and British Columbia.

At least one province has sought to make the terms of the new tax public; but Ottawa has been reluctant to "give permission" pending completion of important discussions as to just how it is to be levied. Presumably details will become available as soon as any one province makes public the text of the new federal-provincial tax transfer deal.

It is expected that the new corporate tax will follow a "model" act, although possible variations between provinces are not ruled out. The levy stems from the federal-provincial tax proposals enunciated by Rt. Hon. J. L. Ilsley last June in his budget speech. Although forecast at that time, and agreed to by each province signing the recent federal tax transfer offer, it has been almost completely overlooked meanwhile. It will be levied only by those provinces which sign the latest federal tax transfer offer; and will continue only until all provinces sign up with Ottawa.

Not Extra Revenue

Revenue from the tax will not represent additional income to the provinces for whom it is collected, but will be deducted by Ottawa from the federal tax transfer payments. Thus the $21.4 millions which B.C. (for example) is due to receive from Ottawa in 1947, for rental of certain tax fields, will be reduced by the $6 or $7 millions which might be collected in that province through the new levy.

Most important feature of the tax is that it will be levied on "net corporate income within the province." This means that an attempt will be made, for perhaps the first time in Canadian fiscal history, to work out a uniform basis for determining just what is corporate income "within the province."

This is the point now under discussion between Ottawa and the provinces. It is a point of the widest possible interest to corporations, large and small, which do business in more than one province. On this definition hangs also the ultimate dollar value of a 5% tax so far as Ottawa tax collectors are concerned.

Define "Provincial" Income

At present, out of $1¼ billions of assessable corporate income in Canada (1945 returns), about 18% comes from the six provinces now about to levy the new 5% tax. This same breakdown gives Ontario and Quebec assessments a combined total of 80%.

But these figures are based on the traditional pattern of allocating revenue according to location of the company head office. Just what will happen under the new definitions where an attempt will be made to define net corporate income "within the province," is hard to estimate. The 18% now shown for these six provinces, may rise at least to 25 or perhaps 30%.

Some clue to the basis which may be adopted is suggested by the tax agreement signed last year between London and Ottawa in respect of reciprocal income tax legislation between Canada and the United Kingdom. In this Act, the governing definition is whether a company has "a permanent establishment" within the particular territory. The definition of permanent establishment is:

"The term means a branch or other fixed place of business, but does not include an agency unless the agent has and habitually exercises a general authority to negotiate and conclude contracts on behalf of such enterprise or has a stock of merchandise from which he regularly fills orders on its behalf."

Once the basis of definition as

(Continued on page 2, col. 4)

'Disinvestment' To Be Relaxed

OTTAWA (Staff)—An early announcement is expected permitting a limited amount of "switching" of Canadian securities now held by British investors.

This matter has been under discussion here for some time (The Financial Post, Sept. 28, 1946). It means that some halt may be called to the "disinvestment" of British investors in Canada, which has been going on to the tune of close to a billion dollars in the last six years.

The change now said imminent, would modify the provision whereby any proceeds from the sale or redemption of Canadian portfolio securities still held by private U. K. investors, must be set against the $500 millions interest-free loan.

What is probable is that some "switching" of securities will be permitted in cases where the U. K. investor wishes to make either a direct (branch-plant-type) investment in Canada or where a new security offering replaces an investment issue called or redeemed.

Towers Picked To Be Director Of World Bank

OTTAWA (Staff) — Graham Ford Towers, Governor of the Bank of Canada, is soon to be named Canada's executive director on the world bank. This will be a "part time" job, involving no change in his Governorship of the Bank of Canada, except that he will be required to spend probably one week in four at Washington.

There are 12 executive directors on the world bank. Since its inception, Canada's representative has been Robert Bryce, a senior official of the Department of Finance. Nomination of Mr. Towers to succeed Mr. Bryce follows the acceptance last week of the world bank presidency by John J. McCloy. It is understood that the latter made it a condition of acceptance that the bank's directorate be reorganized to include a number of top-flight banking and financial executives.

Other Directors

First of these to be announced was nomination of Eugene R. Black, vice-president of the Guaranty Trust Co. of New York, to succeed Emelio G. Collado as U.S. executive director. Mr. McCloy has also announced that Robert L. Garner, vice-president of General Foods has been nominated to the vacant office of vice-president of the bank.

Earlier, Mr. Towers was offered the presidency of the world bank but declined it, believing that no one but an American could successfully fill this office.

Mr. McCloy was offered the presidency last year after the first president, Eugene Meyer had resigned. Mr. McCloy refused. Later he was persuaded to reconsider on condition he could make some nominations of his own as to some of the men to surround him as directors. Mr. McCloy is a former assistant secretary of war and a New York lawyer. His appointment becomes effective March 17.

With the new appointments now made or contemplated, it is expected that the bank will very quickly get to the business of making loans and raising money. Some $2 billions of loans have been sought already by half a dozen European nations, but not all of this money is required immediately. The most immediate applications are for $500 millions to France and $50 millions to Denmark.

Nine More Areas Put on 'Optional' Basis in Trading

OTTAWA (Staff) — Not very substantial change in Canada's exchange position is expected from Britain's action in freeing nine additional trading areas to a "convertible" dollar-sterling basis.

The areas include, Belgium, Luxembourg, Belgian Congo, Netherlands East and West Indies, Portugal and Portuguese Empire. This brings to 24, the countries now open to sterling as well as U. S. dollar trade. The initial step was taken Jan. 1, when the use of sterling was permitted in trade between Canada and the United States, Central American countries, and certain South American lands.

Prior to that, Canadian exporters and importers could not deal in sterling except with countries in the "sterling area." The new arrangement permits trade on either a sterling or a dollar basis with the named countries.

Inside News

British Columbia Booming

British Columbia is a busy, fast-growing province, getting its second wind. During the war, it emerged from the pioneer stage of exploiting a few basic industries, and entered into a period of diversification, which is still expanding. The Financial Post presents its annual survey of the economic life of the Pacific Coast province (pages 25 to 40).

U. K. Horizon Clouded

Regarded as one of the frankest documents ever issued by a British Government, the White Paper presented to the House of Commons last week, paints the future in sombre colors; stresses the United Kingdom's desperate need for increased foreign trade, increased productivity from its labor force, and possibly further financial aid (p. 38).

Record B. C. Budget

British Columbia legislature is studying its highest budget. Premier Geo. A. Drew is expected to disclose Ontario's tax agreement policy this week. Quebec's Bloc Populaire has called for a renewed ban on Labor-progressive Communists. Provincial Roundup (p. 37).

Compulsory Voting?

Canadian public men differ widely on the merits or demerits of compulsory voting, now proposed in British Columbia. Some interviewed by The Financial Post call it undemocratic regimentation; others favor it as a step to remedy public apathy on the right of the franchise (p. 39).

Seek New U. K. Opposition

In the bleakest period of England's history, a new political, though non-partisan, movement is arising, under the head of "Augustan". Conservatives, Liberals and independents, are uniting in a "Freedom and Design" campaign, aimed to organize a more effective opposition to Socialist policies. London Calling, by Adelphi (p. 39).

Sockeye Coming Back

Construction of special "fish ladders" at Hell's Gate, on the Fraser river, has saved Canada's sockeye salmon from extinction. In use for the first time last year, the "ladders" made it possible for from two to four times as many sockeye to reach their inland spawning grounds, as in 1942, the previous "cycle" year (p. 26).

World Wheat Accord?

Delegates from leading wheat-producing and consuming nations of the world will meet in London this month to seek an agreement between the "have" and "have not" countries, ensuring equitable distribution and prices. The Financial Post presents an outline of the draft agreement to be submitted to the gathering (p. 18).

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Factory Property Prices Level Off In Stratosphere After 7-year Rise

By CLIVE CHATTOE

The factory real estate market at long last is reaching level ground.

But don't expect any sharp break in factory prices and rents or in construction costs until 1947 building plans become buildings.

Average level of prices and rents for factories and factory land in major Canadian cities is roughly double-to-triple the "depressed" pre-war level. And the factory building-cost level is almost double pre-war, though some of the rise must be attributed to refinements in plant design and equipment added in recent years.

Inflated or not, these values probably won't go much if any higher, though building costs continue to inch up this spring.

The rise in factory property at Montreal and Toronto is still going on, but so slowed as to suggest a halt this summer. At most other Canadian manufacturing centres, the peak already has been reached or passed; at several, it was reached last summer and some weakening has emerged.

Those are salient findings of The Financial Post report which follows. It's based on a survey of the industrial real estate and building market in eight typical cities across Canada.

Scarcity of factories to rent—Canada's newest "housing" problem—is blocking new industry and expansion in small-scale and light manufacturing. It thus offers some threat to the postwar job potential.

Toronto's deficit in factory rental space exceeds 2 million sq. ft., equivalent to a building 2 miles long, 200 ft. wide, 1 story. And that's to meet firm demand, according to the authoritative Toronto Industrial Commission.

Rents, and demand, are seen at or near peak. Feverishly competitive bidding—without an effective ceiling—in many cities has hiked the average factory rent level about 35% above 1945 and better than double pre-war. But little or no such accommodation is offered.

Just about as scarce are factories for sale, with demand almost as keen. Prices are still rising at Montreal and Toronto, "though moderately compared with last spring. Elsewhere they're at or slightly off peak, averaging roughly double 1945 prices and triple the pre-war average.

But despite bidding as high as an average $3 a sq. ft. at larger centres, chances are you won't see many signs or listings like this: "For sale, on Metroville's main trafficways, 50,000 sq. ft., built 1907, $150,000." Reason? The market in used factories for sale was all but cleaned out in a war-end trading scramble that extended well into 1946. Now, owner-occupants are turning a deaf ear to premium bids; are hugging their "irreplaceable" quarters.

Land Near Peak

Land for factory building still is "becoming dearer every week" at Montreal and Toronto. But the price peak is seen near and in most other places already appears to have been reached. Toronto has seen perhaps Canada's steepest price rise in factory land—preferred locations are now about 35% dearer than in 1945 and about 200 to 250% dearer than pre-war. Elsewhere, including Montreal, the average rise has been nearer 25% over 1945 and 150% over pre-war.

Sales volume in factory land has about reached its peak all over Canada, the survey indicates.

Which brings us to construction, and why the continuing scarcity of factory space in Can-

Continued on page 7, col. 4)

$900 Million 'Saving' Shrinks By Half, Under Microscope

OTTAWA (Staff)—Most important commentary on the 1947-48 estimates tabled in the House of Commons this week is that the published "savings" of $906 millions between this and last year, is wholly spurious.

In the new Abbott blue book, a figure of $1,995 millions is put down as the sum (exclusive of supplementaries) to be spent in 1948. The corresponding figure given last year as "total" estimates (including supplementaries) is $2.9 billions.

But at least two things are wrong with this tabulation.

1—The 1947-48 estimate does not include the $78 millions which the Government is already committed to spend in tax transfer payments . . . once the six provinces which have okayed the agreement have cleared these through their respective legislatures.

2—The 1946-47 figure of $2.9 billions turned out to be grossly inflated. It is not likely that actual government expenses in 1946-47 will be any more than $2.5 billions. This "inflation" was a special and non-recurring phenomena connected with the uncertainties of the first postwar year. It is a circumstance almost certain not to be repeated in 1947-48.

Making allowance for these two "adjustments," it will be seen that the reduction in government spending for 1947-48 as now forecast is not $906 millions but more nearly $400 or $425 millions.

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CATHROY LARDER MINES has just about completed the 520-Raise to present objective at 250 ft. A series of lateral drill holes will now be run north and south to intersect parallel mineralized shears outlined at various elevations from 250 ft. to surface.

DOMINION NICKEL MINING CORP. is drilling hole 17 and as soon as weather conditions permit, work will be continued on the tunnel, which is now in 70 ft. from portal.

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ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Bruck Silk Mills Ltd.—Robert J. Bruck, a director, and vice-president in charge of exports; Gerald L. Bruck, a vice-president; David Abelson, general sales manager; Harry M. Adelstein, general merchandising manager.

Bristol Co. of Canada (Toronto)—N. C. Reed, general manager.

Canadian Admiral Ltd.—Vincent Barreca, managing director.

Chartered Trust & Executor Co. (Toronto)—J. E. Broome, assistant real estate sales manager.

Canadian National Railways — Louis N. Gagnon, superintendent, Cochrane division, John F. Davison, assistant transport economist.

Canadian Pests Control Operators—Chas. Riess (Winnipeg) president; J. L. McNulty (Saint John) M. A. Sanderson (Toronto), J. W. Alderson (Winnipeg) vice-presidents.

Canada Cement Co. (Montreal)—W. C. Bovard, vice-president of sales.

Champlain Oil Products Ltd. (Montreal)—J. C. Clapinson, Jos. M. W. St. Pierre, vice-president.

Steele Briggs Seed Co.—Bryan F Sutton, manager, Edmonton branch.

Pedlar People Ltd.—V. N. Bayley, manager, Winnipeg branch.

Western Retail Lumbermen's Association—Hector J. Craig, secretary-manager.

Trans-Canada Air Lines — W. G. Courtney, traffic manager, West Indies region.

Empire Life Insurance Co. — Russel A. Hicks, British Columbia manager.

Electric Boat Co. (New York) — H. Oliver West (Montreal) a director.

E. B. Eddy Co.—Derek G. Currie, to export division.

Goodyear Tire & Rubber Co. of Canada — J. G. Williams, comptroller and assistant secretary; P. B. Stevenson, C. W. J. Evans, assistant comptrollers.

Hamilton Construction Association—William Pigott, president.

International Harvester Co. of Canada (Hamilton) — G. A. Rankin, R. E. Warren, national account salesmen, Montreal.

International Nickel Co.—H. J. Fraser, H. J. French, vice-presidents.

Investors Syndicate of Canada—Berthold Mongeau, a director.

John Labatt Ltd. (London)—G. C. Hammill, sales analyst; C. A. Stock, statistician.

Montreal Curb Market—Earl M. Robertson, a member.

Mallory Hats (Canada) Ltd. (Brockville) — Ralph K. Reynolds, president; Geo. W. Faulkner, secretary-treasurer.

Norton Co. of Canada (Hamilton)—D. M. Chisholm, managing director.

Ontario Good Roads Association—W. J. Moore, (Toronto) president.

Ottawa Valley Trust Co. — John Gleeson, a director.

Osler, Hammond & Nanton Ltd.—Robert G. McMurrich (Toronto) an associate.

Ontario Provincial Dailies' Association—A. L. Davies (Kingston) president; Robert L. Curran (Sault Ste. Marie) vice-president.

Provincial Bank of Canada — Donat Lalande, general superintendent; J. O. Landry, chief paymaster and accountant; Patrick Blanchet, comptroller of credits.

Photographers' Association of British Columbia — Cecil Thompson, president.

Shirriff's Ltd. (Toronto)—J. W. Crompton, British Columbia supervisor.

Steele Briggs Seed Co.—H. W. Wadley (Toronto), vice-president; L. B. Robinson (Regina), a director.

Toronto Stock Exchange—J. C. H. Anderson, a member.

War Assets Corp.—V. H. Prewer, manager administrative services.

Walsh Advertising Co.—Leo Cox, vice-president and managing director, Montreal and eastern division.

Provincial Tax For Companies

(Continued from page 1)

between Ottawa and the "agreeing" provinces is worked out, the next point is the extent to which a corporation which does business in more than one province would be affected as to double taxation.

If Ontario, Quebec and Nova Scotia did not sign the tax transfer agreement, they would have two choices if they wished to impose corporation taxes of their own:

(a) They could agree voluntarily to use the new 5% "model" corporate tax act and tax net corporate income "within the province," just as will be the case with "agreeing" provinces.

If they did this, there would be no overlapping by reason of this added provincial impost. There would, however, be a penalty on taxpayers in the three non-agreeing provinces, since the Government stated last June that corporation taxes levied in a province not accepting the proposals, "would not be regarded as a deductible expense for the purpose of calculating taxable income under Dominion tax laws."

(b) They could levy a tax on all companies doing business in the province irrespective of whether the corporate income so taxed was actually earned "within the province." On this basis, Ontario and Quebec could probably raise $50 millions between them. But wherever such a tax hit a company doing business in other provinces, there would be duplicate taxation.

Mining and logging companies are specifically excluded from this 5% provincial corporation tax agreement.

Town of Vegreville, Alberta
TENDERS FOR DEBENTURES

Sealed tenders will be received by the undersigned up until Saturday, March 15th, 1947, for the purchase of $60,000 4% 30-year installment debentures to bear date July 1st, 1947. Coupons attached will provide equal annual installments of combined principal and interest. Further particulars may be had on application. The highest or any tender not necessarily accepted.

J. FITZALLEN,
Secretary-treasurer.

Vegreville, Alberta.

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Notice is hereby given by this Company that the Department of Insurance, Canada, City of Ottawa, under date of January 28, 1947, has issued Certificate of Registry, as follows:

This is to certify that the Boston Manufacturers Mutual Fire Insurance Company having made the necessary deposit and having otherwise complied with the requirements of The Foreign Insurance Companies Act, 1932, as amended, is hereby in pursuance of a minute of the Honourable the Treasury Board dated the ninth day of January, 1947, authorized to transact in Canada the business of FIRE INSURANCE, and, in addition thereto, FALLING AIRCRAFT INSURANCE, EARTHQUAKE INSURANCE, HAIL INSURANCE, LIMITED OR INHERENT EXPLOSION INSURANCE, CIVIL COMMOTION INSURANCE, SPRINKLER LEAKAGE INSURANCE, WINDSTORM INSURANCE and IMPACT BY VEHICLES INSURANCE, limited to the insurance of the same property as is insured under a policy of fire insurance of the company.

OTTO F. HAUCK,
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The Britt Consolidated School Board are offering for sale Debentures to the amount of Forty Thousand Dollars ($40,000) to mature in twenty (20) equal annual payments of Principal and interest. The interest rate will be four per centum per annum (4%).

Offers to purchase the whole, or part, of this issue should be addressed to Mr. Ernest Bernier, Sec.-Treasurer, Britt Consolidated School Board, Britt, Ontario, previous to March 12, 1947. Offers subject to approval of School Board.

Information regarding the financial standing of this Board may be obtained from the Sec.-Treas. or Mr. Roy C. Cassie, B.A., Inspector of Public Schools, Parry Sound, Ontario.

Look For It Here

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Return to Parity Sound Ottawa Still Convinced

(Continued from page 1)

come available on or about June 15 when the year-end position of FECB must by law be tabled in Parliament. But publication of year-end trade figures a few days ago, enable some estimate to be made as to what has been happening.

First, our merchandise exports to the United States dropped from $1.2 billion in 1945 to $888 millions in 1946. At the same time, imports to the United States rose from $1.2 to $1.4 billion. This means that our "merchandise" account, instead of being approximately in balance as in 1945, had fallen behind by close to $500 millions for the calendar year 1946.

The only other "known" items of current account transactions are gold shipments and tourist trade. Gold account stood at about the same as last year ($96 millions). Tourist trade showed a favorable balance of only $77 millions against $80 millions in 1945. (U.S. tourist expenditures in Canada were higher at $207 millions, compared with $130 millions in 1945, but Canadian visitors spent $130 millions in the United States against only $83 millions in 1945.)

Thus, whereas the 1945 balance of payments to the United States in these three items was "favorable" to the extent of nearly $200 millions, the corresponding figure for 1946 is "unfavorable" to the tune of nearly $350 millions. This figure, it is reported, is not out of line with what was anticipated when Canada decided to return to U.S. dollar parity.

But there are other important "current" account items which cannot be estimated until the full story of our balance of payments is revealed. These "invisibles" are: freight and shipping, interest and dividends, special war payments, etc.

For 1945, these "invisibles" showed a debit on U.S. account for $163 millions, thus reducing the favorable U.S. balance to $28 millions. It would seem highly probable that they will run between $150 and $200 millions, possibly higher, for 1946. When added to the unfavorable balance of merchandise, tourist and gold account, they suggest a current account deficit for Canada in terms of U.S. dollars of at least $500 millions.

It is admitted here that a considerable transfer of profits has taken place to the United States following return of parity. But it is argued that this would have taken place sooner or later, in any event.

On capital account, no useful figures will be available until FECB or 1946 balance of payment figures, are available. It is not denied that there has been more refunding in Canada than would otherwise have been the case. But there is no indication that the situation is regarded with alarm.

Wheat Agreement Seen Facing Stormy Weather

(Continued from page 1)

Britain has the bulk of this country's surplus tied up.

The United States won't, because an export price of $1.55 is so far below prevailing price ideas and realities in that country. Australia cannot effectively do so, because Australia does not normally export to the continent of Europe. Argentina does not want to, since it has been selling wheat at prices all the way from $2.50 to $3.21 per bushel. Argentina may decline to sign, because if her customers sign, she may have to reduce prices.

The United States Government, it is supposed, will be eager to sign, and will not mind stipulating a maximum price, if thereby it does not bind itself to supply any wheat. But Continental importers, already familiar with operations of domestic black markets, may see in the proposed regulations only an enforced resort to a new international black market in wheat.

The eagerness the U.S. Government has frequently manifested for an international agreement is understood to be based on a desire for recognition of its right to a large export quota if another period of surpluses develops. But that eagerness does not go so far as to promise to let its own wheat price fall as low as $1.55 or to promise to subsidize exports so as to make that price possible in international trade.

Grain men in the United States report to their Winnipeg correspondents that the U.S. diplomatic representatives have made such facts clear to other countries. They express grave doubts of any congressional concurrence in such an agreement as proposed, even if the administration makes it clear that the U.S. is not binding itself to anything at all.

Quite evidently the conference at London is going to have difficulty in drafting an agreement that can obtain the signatures of enough countries to bring it into operation. Still greater are the difficulties of making such an agreement work, when signed, and of ensuring that it will not be made nugatory through the operation of various escape clauses, considered necessary.

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Cdn. Breweries Quarter Profit Increases 33.6%

Consolidated net profit of Canadian Breweries Ltd., for the three months ended Jan. 31, 1947, amounted to $1,369,181 ($1,024,932 in the corresponding period a year before). Earnings from operations were up from $2,746,162 to $3,386,475, while other income was down somewhat at $81,187. Reserve for depreciation and amortization of $512,837 ($217,513) include a depreciation allowance of $134,486 for U. S. A. containers. Loss on sale of investments was $20,000.

Working capital position was up $449,867 at $9,112,490. Funded debt during the year was reduced to $9,941,746 from $10,951,335.

Earnings Statement
Periods Ended Jan. 31

	3 Mos. 1947	3 Mos. 1946
Oper. profit	$3,386,475	$2,746,162
Other inc.	81,187	132,367
Total income	3,467,662	2,878,529
Less: Depr. amort.	512,837	217,513
Deb. int.	118,376	134,987
Prov. inc. taxes*	1,304,800	1,354,800
Loss: Inv.	20,000	......
Minor. int.	142,468	146,297
Net profit	1,369,181	1,024,932

*Calculated at prevailing income tax rates.

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Three Provinces Must Raise $100 Millions

Ontario, Quebec and Nova Scotia Have Big Revenue Gaps to Fill if Ottawa Offer to be Matched

By KENNETH R. WILSON

OTTAWA—New tax transfer agreements with at least six provinces are due to come into effect on April 1. This raises at least two very important questions:

1. What is the effect of these agreements on taxpayers in the "agreeing" provinces?

2. What is likely to happen to taxpayers in "nonagreeing" provinces?

The dollar-and-cents position of individual provinces is shown in an accompanying table. This discloses that "agreeing" provinces will receive an annual payment of $77.8 millions. This represents about 45% of the revenues they will actually collect in the present (1946-47) fiscal year. It represents $33.1 millions more than they are now getting from comparable sources.

As well, all provinces, whether they agree to the tax transfer proposals or not, will receive $64 millions in cash during April or May of this year. This money represents the "holdback" on tax collections under the wartime tax agreements. Biggest province to benefit under this is Ontario whose "holdback" amounts to $28.5 millions.

Add this "holdback" to the promised annual payment to the "agreeing" provinces and the total revenue they may expect to get from Ottawa in the 12 months starting April 1 next is about $91 millions. This represents 54% of the total revenues they collected in the year just passed.

Wide Variation Among Provinces

The actual amounts which each of the "agreeing" provinces would receive from these two sources is shown in Column VI of the accompanying table. This shows that for individual provinces there is a wide variation.

Thus Prince Edward Island will get 104% of its last year's revenue. In other provinces the proportions vary from 45% (Saskatchewan) to 68% (Manitoba).

Disposition of these moneys in the various provinces is still a matter for conjecture and debate. Manitoba, for example, has announced that it will share about half of its expected tax transfer payments with its municipalities. Of the total sum to be set aside ($2.75 millions) an amount of $1.9 millions is to be earmarked for advancement of education and reduction of educational costs. The $2.75 millions, by the way, is not the total amount of increase which Manitoba expects to receive from Ottawa in tax transfer payments in 1947. It is based on the "minimum" amount of the latest federal offer.

No other province, as yet, has indicated what it intends to do with its federal "holdback" moneys. Whether this will be treated as "capital" or just thrown into the general current revenue pot remains to be seen.

Figures for "nonagreeing" provinces are also shown in the accompanying table.

These figures reveal that the three provinces (Nova Scotia, Ontario and Quebec) are presently receiving $79.8 millions a year from their statutory subsidies, plus their own provincial succession duties. (Column II). Under the proposed tax transfer agreement (which none of these provinces has as yet accepted) these sums would be replaced by a tax transfer "rental" which for the three provinces would amount to $149 millions. That would be a gain of $69.3 millions. This sum is quite apart from the tax holdback which they will receive whether they sign a new agreement or not.

"Holdouts" Must Raise Revenue

For the three "nonagreeing" provinces, a further table is necessary to show how much money they would have to raise "on their own" (presumably by levying their own personal and corporate income taxes) in order to equal the revenue offered them by Ottawa if they were to "rent" certain tax sources to the Federal Government.

Tax Position of "Nonagreeing" Provinces
(In millions of dollars)

	Present revenues†	Proposed tax transfer payments 1947	Remaining revenue if no agreement*	Difference to be made up by new prov. taxes	Offsetting tax holdback for 1947
N. S.	4.2	12.1	2.6	9.5	1.6
Ont.	44.3	74.0	15.3	58.7	28.5
P. Q.	31.3	63.0	10.7	52.3	20.5
	79.8	149.1	28.6	110.5	50.6

† Includes wartime tax agreements, statutory subsidies and succession duties.

* Succession duties and statutory subsidies.

Thus Nova Scotia would have to levy new taxes to yield $9.5 millions in 1947. Ontario would have to raise $58.7 millions; Quebec a further $52.3 millions.

However, as shown in the final column of the above table, there would be an important "offsetting" item in 1947, namely the substantial holdback on account of the expiring wartime pacts. If any or all of these provinces wished to use this holdback as current revenue it would go a considerable way to offset the disappearance of the wartime tax agreements. Both Ontario and Quebec are due to receive an amount in holdback that is equivalent to roughly half the moneys they would otherwise have to raise to equal the income offered them in the latest federal offer.

5% of Federal Tax Open

But there is another important consideration.

It is that any "nonagreeing" province is free to raise as much as 5% of the current federal income tax from its taxpayers, without being penalized. The permissive authority was provided in the Ilsley budget speech of last June. It was then stated:

"—the Dominion would be willing to give a tax credit to the individual taxpayer of the amount of the tax he had to pay to the province, up to 5% of the tax payable to the Dominion by such taxpayer. Any increase in the burden on the individual taxpayer would thus be avoided if the provincial tax did not exceed 5% of the Dominion tax. In order to be of assistance, the Dominion would be willing to make extra copies of its forms available so that when filling out a Dominion form the taxpayer could merely make an additional copy and mail it with his cheque to the treasurer of his province."

Assuming about the present level of personal income tax as now levied by Ottawa (most people hope it will be less after Mr. Abbott's first budget speech) it appears that Ontario, Quebec and Nova Scotia might expect to raise about $21 millions between them by such a 5% personal income tax. Of this, $13 millions would accrue to Ontario; $7 millions to Quebec and about $900,000 to Nova Scotia. These estimates are made by the writer after making allowance for lowered federal income tax rates in Canada since the latest provincial receipt figures were published.

But after allowance for this nondiscriminatory 5% personal income tax, there would still be about $100 millions to be collected if the three "nonagreers" are to equal the latest federal offer.

This is how the picture would look:

	"Gap" in provincial revenues of non-signing prov.	Estimated 1947 revenue from 5% personal income tax	Still to be raised by corporate taxes or higher pers. inc. or other source
Ontario	58.7	13.0	45.7
Quebec	52.3	7.0	45.3
N. S. ..	9.5	.9	8.6
	110.5	20.9	99.6

The figures in the final column are probably the real "milk in the coconut" so far as these three provinces are concerned. For it is around the estimate of how easy it would be to raise $45 or $46 millions in Ontario or Quebec, and $8.6 millions in Nova Scotia, that much of the fiscal argument for acceptance or rejection of the present federal offer must centre.

Speaking very generally (for it would be difficult if not impossible to prove such a statement) the belief seems to be that Ontario might collect this much revenue or very close to it if it slapped on a 5% corporate tax. Quebec, it is thought, would fall considerably short of the required amount. Nova Scotia would be hopelessly outdistanced from the start.

In short, all provinces except Ontario would have to consider higher than 5% personal income and corporate taxes or some entirely new or outside revenue sources, to equal the present federal offer.

Where Provinces Stand With Dominion

Where Provinces Stand on Actual or Proposed Federal Tax Agreements
(In Millions of Dollars)

	I estimated total revenue 1946	II present revenue from wartime tax agreements, etc.†	III proposed 1947 tax transfer revenue	IV increase of III over II	V tax "holdback" due from Ottawa April/47	VI sum of col's. III and IV	VII col. VI as percentage I %
(A) "Agreeing" Provinces:							
P. E. I.	2.5	1.2	2.3	+ 1.1	.3	2.6	104
N. B.	18.5	4.8	9.4	+ 4.6	2.5	11.9	64
Man.	24.0	8.0	14.2	+ 6.2	2.1	16.3	68
Sask.	39.0	8.2	15.7	+ 7.5	1.7	17.4	45
Alta.	35.0	8.2	14.8	+ 6.6	3.3	18.1	51
B. C.	51.0	14.3	21.4	+ 7.1	3.4	24.8	48
Total	170.0	44.7	77.8	+33.1	13.3	91.1	54
(B) "Other" Provinces:							
N. S.	20.0	4.2	12.1*	+ 7.9	1.6	13.7	68
Ont.	123.0	44.3	74.0*	+29.7	28.5	102.5	83
P. Q.	132.0	31.3	63.0*	+31.7	20.5	83.5	63
Total	275.0	79.8	149.1*	+69.3	50.6	199.7	72
Grand Total ...	445.0	124.5	226.9	+102.4	63.9	290.8	65

† Including statutory subsidies and succession duty revenue.

* This payment would be received only if this province signed the proposed new federal-prov. tax transfer agreement.

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CIO Union's Position at Stelco Still in Doubt as Strike Settled

The Steel Co. of Canada and the United Steelworkers (CIO-CCL) signed an agreement last Saturday which finally wrote finis to the great strike of 1946 but one important point still hadn't been settled: does the CIO union represent a majority of Stelco employees.

The strike itself only confused the issue. Half stayed in; half came out. The Independent Steelworkers Association which had been licked in a pre-strike bargaining agent vote with the union, claimed it had 2,900 members. This was more than a majority. But their recent application for certification was tossed out by the labor board. (See Labor Roundup, P. 3)

This decision didn't settle anything either The independents immediately launched an attack in another direction — affiliation with the AFL.

If the independents have as many members as they claimed, the AFL would get 2,900 new members in its jurisdictional fight with the Steelworkers.

It looked like the Steelworkers, who at no time had anything that resembled a thumping majority at Stelco, might have a battle on their hands.

Despite the fact that they'd finally signed up with the company, the future looked anything but rosy. It would be a lot different battling with a bona fide trade union than an independent organization.

If the AFL hadn't entered the picture, the Steelworkers would have had nothing to worry about, at least not until their contract expired.

The Independent Association application had been turned down and by the rule of precedent, was banned from reapplying for six months. By switching to the AFL, the Independents circled this barrier.

And they didn't wait long to take advantage of their strategy. Their application went in on Friday, Feb. 28, the day before Stelco and the Steelworkers sign. The nearness of the two incidents was no mere coincidence, as both sides well knew.

If the application had gone in after the agreement had been signed, the Steelworkers would, by the provisions of PC 1003, have been assured of certification for at least 10 months. After that, new bargaining representatives could be certified. But with the signing taking place after the AFL application had been filed, the 10-month provision did not apply. If a vote is ordered on the AFL application and they win, the Steelworkers' contract goes out the window.

And the AFL was confident they had a majority. They claimed 2,900 had signed cards. The Steelworkers claimed 3,800 members. Inasmuch as only 4,800 people work at Stelco, something was obviously wrong. To find out what, the board would ordinarily order a vote.

However, this time might be different. The Steelworkers have a provision in their agreement requiring the company to inaugurate the irrevocable checkoff if 51% of the employees affected so indicate in writing within 30 days.

If the steelworkers can put this over within the time limit, it might be considered sufficient evidence to both the company and the Labor Board that they have a majority. And seeing that it usually takes three or four weeks to get a decision on an application for certification, the Board might be inclined to wait and see.

What made the fight all the more interesting was the fact that the key man on the AFL side, Russell Harvey, besides being an AFL organizer, was also a member of the seven-man Ontario Labor Relations Board. Thus he will rule on something he helped create.

And until recently when he resigned, Harold Padget, Harvey's right hand man, was a Board member too. Padget, until recently a member of the steelworkers' organizing staff, quit over differences with the present USWA administration and was hired by the AFL to create a rival steel union. But although he was the CIO nominee on the Board, he didn't immediately give up that position.

From the CIO point of view, this was an intolerable situation. It was bad enough that their own man on the Board had gone over to the AFL and they now had no representation, but what made matters worse, he was now part of a movement whose target was the big, powerful steelworkers, the union he had just quit.

It took a week or so for the hue and cry for Padget's scalp to be heard but by the time Joe Mackenzie, head of the United Rubber Workers and president of Ontario Congress of Labor, demanded that he resign, Padget had made up his mind to quit—Mackenzie also wanted Harvey fired off the Board. This week Arthur Daley, Ontario's minister of labor, settled this by saying, "No." While Padget's resignation can only be accepted by order-in-council, this is only a technicality. Padget will hear out cases he was in on before he resigned but will not sit in on new hearings.

Thus, from a Board point of view, he won't have anything to do with the AFL Stelco application. But he'll be there just the same. He'll be on the other side of the table, probably as head of the delegation, trying to convince the Board of which he so lately was a member.

The next 30 days should tell the story. The steelworkers are convinced they'll get more than a majority to sign checkoff authorizations within 10 days. If they do, the question will have been settled. If not, they'll probably lose their bargaining rights until a vote can be held to settle it once and for the duration of another contract.

MARITIME TELEGRAPH & TELEPHONE CO. new issue of $3 millions 3% series F bonds, due July 2, 1972, has been sold privately through W. C. Pitfield & Co. Proceeds are to be used $2 millions to retire the presently outstanding 4% series C bonds, due 1967, and the balance of $1 million for new central station equipment. The company sold $500,000 series E bonds, due July 1, 1976, privately in Apr., 1946, through W. C. Pitfield & Co.

COMPANY REPORTS

ROBINSON COTTON MILLS net profit for the year ended Dec. 18, 1946, was up 39.2%. Production problems were chiefly attributable to shortage of raw materials. High demand for company's products, coupled with assistance rendered by WPTB in procurement of supplies, made it possible to earn a satisfactory profit under existing conditions, President W. Robinson stated.

To date, $362,624 has been expended on the new mill at Woodbridge, and it is hoped this will be in production before year end. It is believed the year will reflect a relatively high degree of activity for the cotton textile industry, the president says.

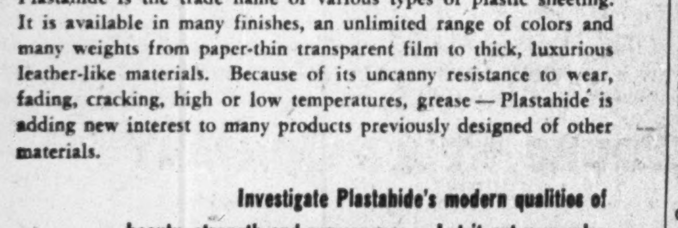
INCOME ACCOUNT

Years Ended Dec. 18:	1946	1945
Net earnings	$444,796	$321,039
Less: Depr.	48,790	46,354
Bond int.	19,101	......
Inc. taxes	150,762	112,226
Net profit	226,143	162,459
Less: Divds.	45,000	......
Surplus for year	181,143	162,459
Earnings per Share* and Dividend Record:		
Earned	$1.51	$1.08
Paid	0.30	......

*Based on present capitalization.

CONDENSED BALANCE SHEET

As at Dec. 18:	1946	1945
Cash	$572,386	$3,679
Accts., etc., rec.	313,272	698,220
Life ins., c.s.v.	42,979	30,000
Inventories	1,198,684	945,002
Total curr. assets ..	2,127,321	1,676,901
Misc. assets▲	7,922	4,246
Fixed assets*	819,837	520,799
Total assets	2,955,080	2,201,946
Bank overdraft	......	431,499
Accts., tax., etc., pay.	247,025	187,085
Total curr. liabs. ...	247,025	618,584
Funded debt	950,000	......
Capital stock	292,000	295,000
Surplus▲	1,466,055	1,288,362
*After depr. of	691,582	645,473
▲Incl. ref. EPT	1,083	......
Working capital†	1,880,296	1,058,317



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Plastahide is the trade name of various types of plastic sheeting. It is available in many finishes, an unlimited range of colors and many weights from paper-thin transparent film to thick, luxurious leather-like materials. Because of its uncanny resistance to wear, fading, cracking, high or low temperatures, grease — Plastahide is adding new interest to many products previously designed of other materials.

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Chemistry is a vital factor in fabrics and foods, leather and toys. It's at the cosmetic counter and in the hardware department. You find it more and more whenever you shop—as nylon hosiery, fabrics and bristles, in new plastic articles and as "Cellophane" wrappings to protect goods and make them more attractive.

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Rats are clever and hard to kill . . . they have long been a destructive, disease-carrying scourge . . . but chemistry is resourceful. It comes up now with "Rodant", a tasteless poison—deadly to the common rat. It is a product of Canadian Industries Limited, Head Office, P.O. Box 10, Montreal.

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YOUNG MAN, 27, at present employed Civil Service, wishes change to private industry, 3 years exp. in Purch. Dept. large steel fabricating firm, 5 years Army, clerical Administrative work. Wishes position where initiative and work will be rewarded. Box 84, The Financial Post, Toronto.

POSITION WANTED

ADVERTISER 39, twenty years' experience leading insurance company London and overseas in underwriting and claims Marine, Fire, Automobile. Seeks opening in Canada or States. Box 85, The Financial Post, Toronto.

FOR SALE

TWO INVESTORS Syndicate 15-year 3.6% Savings Certificates at a worthwhile discount. One annual deposit of $216 on the $2,000 certificate and one annual deposit of $324 on the $3,000 certificate has been made. Any reasonable offer will be considered. Box 86, The Financial Post, Toronto.

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A CHRISTIAN business man of wide selling experience with good connections, high credentials desires to return Vancouver as agent or sales director. Box 87, The Financial Post, Toronto.

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YOUNG WOMAN wishes to contact well-established Toronto companies with smaller advertising programmes. Experience in newspaper, department store and direct mail: copy, layout, planning. Box 82, The Financial Post, Toronto.

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Red Rock Project Crux In St. Lawrence Fight

(Continued from page 1)

Rock venture dates back to its origin through acquisition of the properties and assets of the bankrupt Lake Sulphite Pulp Co., Red Rock, Ont. At a meeting of St. Lawrence Corp. shareholders in November, 1941, to approve the deal, there was strong opposition on many grounds, including fear of its effect on St. Lawrence's income. Three directors of St. Lawrence Corp. strongly opposed the purchase at that meeting. Mr. White was the leader in supporting the proposed purchase which was defeated by those present but passed on a recorded vote due to the voting of the proxies.

At the time the Red Rock project was embarked upon, it was estimated that the total expenditure would not be over $5 millions. In Brompton's 1944 annual report, signed by A. F. White, it was estimated that $3.7 millions expenditure in addition to the $1,967,412 already spent would complete the project. By February, 1947, expenditures had been $8.2 millions and estimates from the company's present manager and an independent engineer indicate that the total investment will be close to $11 millions, The Financial Post is told. This, it is felt, makes maintenance of the present $1 a share annual dividend by Brompton questionable. It is this situation that is said to have brought about the resignation of Arthur F. White from St. Lawrence Corp., St. Lawrence Paper Mills and Lake St. John. None of the principals have yet explained, in view of these resignations, why Mr. White remains as president of Brompton, the source of St. Lawrence's income.

Also a point of issue in the fight for control is believed to be the question of how the capital structures may be reorganized. How to liquidate dividend arrears on St. Lawrence Paper Mills preferred and St. Lawrence Corp. class "A" in fairness to shareholders and yet not saddle the properties with charges that cannot be reasonably maintained under less favorable operating conditions is a big problem. As yet neither side had advanced an answer although both groups are understood to be giving consideration to it. This group and B. C. Pulp & Paper Co. are the only Canadian paper companies which have not reorganized their capital structures.

St. Lawrence Corp. had 264,053 shares of $2 cumulative class "A" preferred, par $50, (on which arrears were $20.25 a share at Jan. 15, 1947) and 582,224 common shares outstanding at Dec. 31, 1946. As class "A" shareholders have one vote a share, as well as the common, control requires a voting power of over 423,139 shares.

Who Has Control?

Who has control is now a question. Both groups claim it. Both will be actively seeking proxies. The answer may not be known until the annual meeting. No date has yet been set but it was held on April 25 in 1946.

Financial circles assume that the shareholders' representative committee (see Mar. 1, 1947 issue) which includes Dominion Securities Corp. will support present management. The group has announced that it will cooperate with the management and protect the interests of all shareholders in any reorganization plan.

Financial circles also assume the Van Alstyne, Hugh MacKay, W. C. Pitfield & Co. and E. P. Taylor groups, all of whom are said interested, will be supporting Arthur F. White and against present management.

Thus Mr. White would also appear to be lined up against his former associates in Dominion Securities Corp. of which he was president until its reorganization on Jan. 1, 1944.

The complicated nature of St. Lawrence Corp. holdings is shown in accompanying chart.

A subsidiary, St. Lawrence Paper Mills, has 124,975 shares of 6% preferred, par $100, (on which dividend arrears were $68.75 a share at Jan. 15, 1947) and 514,675 common shares (512,749 owned by St. Lawrence Corp.) outstanding at Dec. 31, 1946. As a result of being in arrears, preferred holders are entitled to elect one less than a majority of the directors (i.e. five out of the present 10 directors). No one yet has contested St. Lawrence Corp.'s present management's claim that it has the control of St. Lawrence Paper Mills preferred. St. Lawrence Corp.'s directors would elect the other five.

St. Lawrence Paper Mills' directors, in turn, are in a position to elect the Lake St. John Power & Paper Co.'s directors.

St. Lawrence Corp.'s directors are also in a position to elect Brompton's directors.

No matter who controls the companies, however, they are dependent on the Government for their raw material—wood—and, to that extent, subject to governmental control. Just how effective that control may be when it is desired to use it was seen in the case of the reorganization of the Abitibi Power & Paper Co. The Province of Ontario was in a key position in that case.

Deplores Speculation

Premier Duplessis has on many occasions deplored speculative interest in Quebec pulp and paper properties. Presumably he will have a big influence on this plan of capital reorganization.

In recent years, St. Lawrence group with the exception of Lake St. John which is a low-cost producer with relatively cheap wood, has found its woods costs cutting heavily into what it otherwise would be in a position to earn.

In the light of pending legislation to reallocate timber limits in the province, it is generally expected that the St. Lawrence group stand to gain much. What effect change of management at this stage will have on timber limits is a matter of importance to St. Lawrence shareholders. Mr. Duplessis has definitely expressed the hope that speculative elements will never get control of the St. Lawrence properties. Whether the present move can be classified as speculative is a matter on which there can be no final decision until it is known what the new group has in mind with respect to the properties now being spotlighted by a fight for control.

Directors of St. Lawrence Corp. at Dec. 31, 1945, with other affiliations in the group shown included:

A. K. Cameron — President, parent company; board chairman of Paper Mills and St. John.

Arthur F. White — Chairman, parent company; vice-president and managing-director, Paper Mills and St. John; president and director, Brompton.

J. I. Rankin — Vice-president, parent company; president and director Paper Mills and St. John director Brompton. (Managing director N. A. Timmins Corp.)

P. M. Fox—Assistant to President, parent company; director and general manager Paper Mills and St. John.

G. B. Foster, K.C., R. W. Steele, and **N. A. Timmins Jr.**—Directors, all four boards. Mr. Steele was vice-president of Brompton but recently resigned from all the companies.

Arthur H. Campbell, Aubrey Davis, and **H. C. Flood**—Directors, Paper Mills and St. John.

In addition to those noted above, F. C. Baker, C. W. Colby and D. T. Salls were directors of Brompton but is not connected with it now. C. W. Colby has also resigned recently because of his health.

St. Lawrence Corporation Ltd.
(Holding Company)

3½% Secured Deb. Note Due 1948	$ 300,000
$2 Class "A" Preferred, par $50; 264,053 shares	13,202,650
(Dividend arrears, $20.25 share = $5,347,073.)	
Common Shares, n.p.v.	582,224 sh.

Owns 99.625% of Common — Owns 99.65% of Common

St. Lawrence Paper Mills Co.
(Operating Company)

6% Preferred, par $100, (124,875 shares)	$12,487,500
(Dividend Arrears, $68.75 sh. = $8,585,156.)	
Common Shares, n.p.v. (of which 512,749 owned by St. Lawrence Corporation)	514,675 sh.

Brompton Pulp & Paper Co.
(Operating Company)

3½% First Mortgage Bonds, 1966	$ 4,000,000
5% General Mortgage Debentures, 1956	475,976
Common Shares, n.p.v. (of which 298,959 shares owned by St. Lawrence Corp.)	300,000 sh.

Owns { 100% Preferred; 86.17% Common

Lake St. John Pwr. & Pap. Co.
(Operating Company)

5½% First Mortgage Bonds, due 1961	$ 3,000,000
5% Mortgage Debentures, due 1961	2,999,600
6% Non-cum. pref., par $100, 18,000 shares. (All held by St. Lawrence Paper Mills)	1,800,000
Common stock, n.p.v. (86,173 shares owned by St. Lawrence Paper Mills)	100,000 sh.

St. Lawrence Corporation's only source of income at present is its dividends from Brompton Pulp & Paper Co. These totalled $298,959 in 1946. No dividends will be possible from St. Lawrence Paper Mills Co. until the latter's preferred dividend arrears are cleared up. Lake St. John Power & Paper Co. is paying preferred and common dividends but these go to St. Lawrence Paper Mills ($432,692 received in 1946).

Montreal Power Shareholders Likely To Accept Hydro Offer, $25 a Share

Directors Say Latest Bid "Substantially Below" Value of Shares

MONTREAL (Staff)—As expected, directors of Montreal Light, Heat and Power Cons. objected to the latest government offer, on the grounds that it was substantially below "the value of the shares, as indicated from time to time since the date of expropriation."

In a statement to shareholders earlier this week, President J. S. Norris pointed out that shareholders' equity in the expropriated properties approximated $41 a share, after adding in the value of residual assets and deducting the debts of the three companies. However, directors were not prepared to advise shareholders one way or the other, stating that final decision of the shareholders must necessarily be a personal one.

Mr. Norris made it clear that no discussions had taken place between Montreal Power directors and either the Government or Hydro officials on this offer. Support for the offer, therefore, must have come from other sources. Fact that banking arrangements have already been completed to finance purchase of stock, suggests that fiduciary institutions had agreed in advance to the terms of final offer.

The Financial Post is informed that arrangements are under way whereby shareholders will be able to surrender their Montreal Power stock to any branch of the chartered banks and receive $25 in cash or the equivalent in bonds. The banks will be acting for the commission in this respect.

One question on which no light has yet been shed, is the future of Southmont Investment Co., formed to protect the interest of Montreal Power shareholders by way of setting up reserve funds in case original expropriation had taken the form of total expropriation. This company would now appear to serve no useful function. Its investment portfolio consists of 42,190 shares of B. C. Power Corp. "A" stock, 3,250 preferred shares of Montreal Coke Manufacturing Co., 510 shares of Keystone Manufacturing and 50 shares of Dominion Bridge Co. At midweek this stock was traded in at 38c. a share, which is substantially less than its 50c. a share liquidating value at the end of 1945. In the last analysis, the future of this company will be up to the shareholders, an official of Montreal Power tells The Post.

Expropriation Dispute To Be Settled Within Month, Montreal Hears

MONTREAL (Staff)—Montreal Power shareholders received last week a Quebec-Hydro offer of $25 a share for their stock, good until April 10, subject to acceptance by shareholders representing 51% of the outstanding stock.

Shareholders were given the option of surrendering their stock either for cash or for Hydro bonds guaranteed by the province, repayable in 10 years and bearing interest at 2%. These bonds will be retired by lot at par each year in the amount of 5% and will be dated March 1, 1947. After March 1, 1954, the Commission may redeem the balance of the outstanding bonds at 100.50 on 30 days notice.

The Financial Post is informed that no commission will be paid dealers to get Montreal Power stock in and that the offer makes no provision for dividend arrears from April 1, 1944.

It was generally expected that the offer would be accepted by a majority of the shares outstanding. Thus the way is now clear without resort to court action, for settlement of what had become the most controversial political and investment issue in the history of the province. It represents the third offer to shareholders since expropriation of the physical assets of Montreal Light Heat & Power properties took place in April, 1945.

First Offer $15

The first offer by Quebec Hydro in May, 1946, which was equivalent to $15 a share on Montreal Power common, after payment of outstanding funded debt and other charges. The second "offer" placed a value of $22.50 a share on Montreal Power stock though the alternative at that time (October, 1946) provided for issuance of a government certificate carrying a rate of $1 a year for five years and 75c. a year thereafter, redeemable at $22.50 at any time after five years at the option of the Commission.

If the present offer is accepted (shareholders have until April 10 to decide), it will involve bank credits and/or a government guaranteed bond issue involving $112,225,825. Premier Duplessis said last week-end that banking arrangements had already been made, so that all shareholders who want cash will be paid at once.

The present offer cames at a rather opportune time for shareholders. As of March 1, 1947, they would have been in a position of getting nothing from Beauharnois bonds, already repaid in full by the Commission, with the proceeds going into the hands of the trust company. In the past, ownership of these bonds had provided the bulk of Montreal Power revenue by which the company was in a position to make certain dividend payments to shareholders, though substantially less than they received for years before their properties were expropriated.

Under the Expropriation Bill the Hydro Commission had approximately $7 millions of fixed charges annually whereas Montreal Light Heat & Power Cons. had only some $3 millions of fixed charges after applying the revenue of Beauharnois and Montreal Power bonds owned by Montreal Power. Montreal Power bonds have not yet been redeemed.

Some observers contend the present Duplessis offer is somewhat less attractive than the so-called optional offer of October last when government certificates paying $1 annually for five years were offered in lieu of Power stock. Just what price those securities would have commanded in the open market is open to varied opinions, though some observers say they would have brought the equivalent of $27 per share of Power stock.

DIVIDEND NOTICES

R. L. Crain, Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of ten cents (10c) per share on the Capital Stock of the Company has been declared for the quarter ending March 31, 1947, payable on and after the first day of April, 1947, to holders of record at the close of business on the 15th day of March, 1947.

By Order of the Board.

HAROLD F. CRAIN, Secretary.

Dated at Ottawa, Ontario, this 25th day of February, 1947.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

NOTICE is hereby given that a dividend of Twenty-Five Cents (25c) per share has been declared on the issued No Par Value capital stock of the Company for the first quarter ending March 31st, 1947. The above dividend is payable in Canadian funds, April 1st, 1947, to shareholders of record at the close of business on the 5th day of March, 1947.

H. H. BRONSDON, Secretary.

Dated at Toronto, February 26th, 1947.

Foothills Oil and Gas Company, Limited

NOTICE OF DIVIDEND

NOTICE is hereby given that a Dividend of Twelve and One-Half Cents per share has been declared payable to shareholders of the Company of record as such on the books of the Company at the close of business on Saturday, the 15th day of March, 1947, and that the said Dividend will be payable on or after Tuesday, the 1st day of April, 1947.

The Register of Transfers will be closed from the close of business on Saturday, the 15th day of March, 1947, until the opening of business on Wednesday, the 26th day of March, 1947.

By Order of the Board.

R. D. MERCER, Secretary.

Calgary, Alberta. 24th February, 1947.

Shares of the Company are transferable only at the Head Office of the Company, 119 Sixth Avenue West, Calgary, Alberta.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable TUESDAY, THE FIRST DAY OF APRIL next, to Shareholders of record at the close of business on the Fifteenth day of March, 1947.

By order of the Board.

WALTER F. WATKINS, Secretary.

TORONTO, February 19th, 1947.

MONTREAL LOCOMOTIVE WORKS, LIMITED

215 St. James Street, West
Montreal, P.Q.

DIVIDEND No. 4

A dividend of twenty cents (20c) per share on the Common Stock of this Company has been declared payable April 1st, 1947 to holders of record at the close of business on March 7th, 1947.

Transfer books will not be closed.

CARL A. SUNDBERG, Secretary

February 25th, 1947

WESTERN GROCERS LIMITED

Notice of Dividends

Notice is hereby given that the following dividends have been declared, payable April 15th, 1947, to shareholders of record March 14th, 1947:

35c a share on the Preferred Shares $1.40 Series $20.00 par or alternatively $1.75 a share on the Preferred Shares $100.00 par not yet exchanged for $20.00 par shares;

37½c a share on the Class A Shares or alternatively $1.50 a share on the Common Shares not yet exchanged for Class A Shares.

W. P. RILEY, President.

Winnipeg. March 1st, 1947.

THE FOUNDATION COMPANY OF CANADA LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of thirty-five (35) cents per share for the Quarter ending March 31, 1947, has been declared on the No Par Value Common Stock of the Company, payable April 22, 1947, to Shareholders of record at the close of business on March 31, 1947.

By Order of the Board.

G. E. GREARSON, Secretary.

Montreal, February 26, 1947.

The B. Greening Wire Company Limited

Common Dividend No. 38

NOTICE IS HEREBY GIVEN that at a meeting of the Directors of The B. Greening Wire Company, Limited, held in the office of the Company on February 24th, 1947, a dividend of Five cents per share on the Common Shares of the Company was declared payable April 1st, 1947, to shareholders of record March 1st, 1947.

F. J. MAW, Secretary.

Hamilton, Ont., February 25th, 1947.

THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

Notice is hereby given that the One Hundred and Forty-third quarterly dividend of one and three quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum, for the quarter ending February 28, 1947, on the Preferred Stock of the Company, has been declared payable April 1, 1947, to Shareholders of record the 10th day of March, 1947.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Que. February 6, 1947.

Notice to the Holders of Debentures and Certificates of Indebtedness of the

TOWNSHIP OF SANDWICH WEST ONTARIO

Notice is hereby given that a Plan for the Adjustment and Reorganization of the debenture and other indebtedness of the Corporation of the Township of Sandwich West, Ontario, has been approved by the Council of the Township and the Department of Municipal Affairs of the Province of Ontario and is being recommended to the creditors by the Sandwich West Debenture Holders' Committee.

Since, to become effective the Plan requires the approval of the holders of at least two-thirds of the debt of the Township, the Committee desires to urge that it is important that all holders of debentures and certificates of indebtedness of the Township of Sandwich West, communicate with the Secretary of the Debenture Holders' Committee, F. W. Cline, Tenth Floor, 302 Bay Street, Toronto 1, Ontario, in order to obtain details of the Plan affecting their securities together with the Form of Approval and Proxy.

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In matters relating to investment or the underwriting and distribution of securities, the facilities of our organization are always at your disposal.

Security offerings furnished upon request.

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General Reports

Investment Suggestions

Make your money work for you but do not set it a too difficult task. Invest your surplus funds in sound securities which provide a moderate but regular income and offer a reasonable assurance that your capital will continue to remain intact against the time when you may have immediate need for ready cash. Following is a list of our current investment suggestions.

As principals, we offer:—

	Price*	Yield
Dominion of Canada 9th Victory Loan 3% Bonds due September 1, 1966	105.125	2.57%
Province of New Brunswick 3% Debentures due March 1, 1964	102.50	2.82%
Township of York 2¾% Debentures due April 1, 1962-1963	99.00	2.83%
Township of York 3% Debentures due April 1, 1972	100.00	3.00%
British Columbia Electric Company Limited 3¼% First Mortgag Bonds due January 2, 1967	102.50	3.08%
The Rio de Janeiro Tramway Light & Power Company, Limited 5% Mortgage Bonds due April 1, 1958	102.50	4.71%

**The prices mentioned above are "and accrued interest" and su iect to confirmation an prior sale.*

Details of these offerings and their callable features will be promptly given upon request.

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276 St. James Street West, Montreal. Telephone: Harbour 4261

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INVESTMENTS THIS WEEK

Stock Markets Hesitate Due to Uncertainties

Stock markets in Canada and the United States have been drifting for the last three weeks, and generally listless. This reflects the uncertainty of investors as to the outlook.

Theorists also do not agree in their interpretations; some call this a bear market, others a bull market.

The situation is complex. On the bullish side are the higher-than-many-expected 1946 earnings being reported by companies; a large backlog demand for goods, particularly "durable" goods; and the pressure of money seeking investment.

For 34 Canadian companies, earnings per share were up over 19% in 1946. Total Canadian bank deposits at Dec. 31, 1946 of $5,760 millions were within $32 millions of the high level established on Oct. 31 just before the Canada Savings Bond drive. Also the Canadian investment market will get a direct injection of about $112 millions if the Montreal Power offer is accepted by shareholders.

But two recent developments have undoubtedly had a sobering effect on the market sentiment.

One has been the advance to a new high price in certain commodities in the United States. This, it is feared, may, on the one hand, renew agitation from labor for higher wages while, on the other, it drives the American consumer out of the market for goods now coming off the assembly lines.

The other is the growing realization of how critical the British financial situation is and the fear of its possible effect on economic conditions in the rest of the world.

With these prospects, it is small wonder that the market action reveals hesitation. And it may be some time before the outlook becomes clearer.

As a result the right interpretation may be that of those analysts who say this year there will be a trading market. In which case, profit opportunities will come from correctly calling the swings and from selecting special situations.

• • •

Annual Reports

The new ruling that all firms eligible to seek a standard profit ruling from the Board of Referees may have that ruling made retroactive to 1941 and 1942, irrespective of whether their books have already been assessed for those years may mean substantial amounts for shareholders. (The Financial Post, March 1, 1947). Company executives should cover their firm's position in this respect in their annual reports.

• • •

Dunlop Tire & Rubber Goods Co. and **Imperial Tobacco Co.** show comparable figures for 1945 in their annual reports. This gives shareholders and investors a clear picture of the changes in the past year. It is a practice which might be adopted by other companies.

• • •

Melchers Distilleries Ltd. recognize the public relations value of their annual report to promote sales by reminding shareholders in the directors' report that it is to their interest to encourage the purchase of their company's leading brands. They then list the brand names.

• • •

Provincial Transport Co. annual report shows a map of the routes covered and also lists its subsidiaries. This helps shareholders realize the extent of its operations.

• • •

Brewers & Distillers of Vancouver Ltd. gives a list of products and brands in its annual report. This is informative to shareholders and may help promote sales.

• • •

Neither **Canadian General Investments Ltd.** nor **Third Canadian General Investment Trust Ltd.** furnishes a list of securities held with its annual report. Investors would welcome this information.

• • •

Cockshutt Plow Co. annual report shows a graph of the extent to which costs have increased between 1941 and 1946. It shows wages up 52%, raw materials up 32% while retail prices have only gone up 12½%. Greatly increased production has helped to offset the handicap of frozen prices but obviously can only influence the final results in a limited degree, it is pointed out.

• • •

Say Refunding Issue For British Columbia

A refunding bond issue for British Columbia will be offered later this year, according to Hon. Herbert Anscomb's budget speech: "There is a $3 million bond issue due on Mar. 1 and a $4 million one due in December of this year, both payable in the United States, and both of which, at the present time, it is proposed to refund in Canada."

There is not likely to be anything done while the House is in session, The Post understands.

• • •

Monarch Knitting Plans New Security Issues

Monarch Knitting Co. plans to redeem its outstanding $300,000 5% cumulative preferred shares with an issue of $500,000 4½% preferred shares and also to issue an additional $500,000 serial debentures in connection with its capital expansion program, the annual report reveals.

The company's net profit for 1946 was over 3½ times that for 1945. On the basis of 1946 results, there would be a good coverage for dividend requirements on the new preferred.

• • •

Rising Costs Indicate Need of Higher Prices

Imperial Tobacco Co. of Canada points out that the squeeze between fixed selling prices and higher operating costs is becoming more acute. In pointing out that its improvement in net profit was largely the result of a reduction in taxes, the company notes that a large percentage of the tax reduction was absorbed by rising costs.

"This appears to be typical of many corporations in Canada and increase in production alone can no longer offset rising costs," President Earle Stafford states.

"If manufacturing costs continue to increase out of proportion to sales volume, it may not be possible to hold retail prices at their present level."

This condition is commented on in many reports. It will be more acute if there is any decline in sales volume.

Simpsons Sells Additional Bonds

An additional issue of $1.5 millions first mortgage 3½% series A serial bonds of Simpson's Ltd. has been sold privately at $103 and accrued interest, to yield about 3.22% by Wood, Gundy & Co. Bonds are dated Feb. 15, 1947, and mature Aug. 15, 1960.

Proceeds are to reimburse the company in part for expenditures made or contracted to be made on capital account for additional property since Aug. 15, 1945. The balance required, estimated at $779,549, will be obtained from the general funds of the company.

Included in these purchases was the purchase of the Williams Store, Regina, Sask., for $800,000 from R. H. Williams & Sons Ltd. and $347,908 for additions and improvements to the Queen St., Toronto store.

Fear Boxcar Shortage To Hit Flour Production

MONTREAL (Staff) — Canadian flour mills, which ran at top speed for the first six months of the present crop year are now running into the boxcar snag presently hampering other industries. So far no mills have been forced to shut down, but it is understood here that the situation has been touch and go the last few weeks. Production, in some cases, has been cut.

It is stated that the milling industry rates a high priority with respect to boxcar deliveries, since flour is virtually on a par with wheat insofar as Canada's export program is concerned. But some millers are wondering just what is happening to some shipments. One case cited is that of a shipment from Welland to Montreal which normally takes four days. This shipment left Welland on Feb. 10 and had not reached Montreal by the end of the month.

The effect of the shortage may be reflected in February's production figures. Up to the end of January flour production was well ahead of last year. For the first six months of the crop year (Jan. 31) flour output totalled 14,165,710 barrels, an increase of more than 8%. Mills reporting January operations had a total capacity of 92,470 bbls. per 24-hour day. Over a 26-day working month, 103.1% of rated capacity was in production.

Exports of flour for the five months ended December also show an increase of more than a million barrels over a year ago. Exports for this period totalled 6,288,663 barrels, which represented approximately 53% of total production. Following is a table showing production and exports of flour for the first five months of the 1946-47 crop year:

Month	Production	Exports	Exports Percentage
	(barrels of 196 lb.)		
Aug.	3,158,827	1,977,006	61%
Sept.	2,227,748	1,236,125	55
Oct.	2,432,873	985,728	40
Nov.	2,518,353	1,368,060	54
Dec.	2,250,040	721,744	31
Total ...	11,587,845	6,288,663	54%

Bell Refunding Issue Expected

MONTREAL (Staff) — Bell Telephone Co. of Canada will likely revamp its financial structure next week by refunding its $30 millions outstanding two-way pay series "B" bonds, The Financial Post understands. Only last week shareholders were advised that the company planned to spend a record $60 millions on capital construction account this year. For this purpose they approved a by-law at the annual and special meeting authorizing the company to issue a further series of bonds in an aggregate principal amount of $35 millions.

It is expected that a syndicate headed up by Bank of Montreal and A. E. Ames and Co. will make a public offering on or about March 14 of $35 millions of Canadian pay long-term bonds, proceeds to be used to redeem on June 1, at 105, the presently outstanding $30 millions optional U. S.-Canadian pay bonds. Shareholders had previously authorized this issue at a special meeting on Feb. 28, 1946.

If the coupon rate on the new bonds is 3%, shareholders will benefit by approximately $500,000 annually, equivalent to 50 cents a share on the presently outstanding common stock of the company, before taxes.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN GENERAL INSURANCE GROUP comprising the Canadian General Insurance Co. and the Toronto General Insurance Co. shows growth in premiums written, total assets and surplus to policyholders of each company in 1946.

Total net premiums of the Canadian General from all departments were over $1.4 millions ($1.3 millions in 1945); total assets almost $3.3 millions ($2.9 millions in 1945) and policyholders surplus $1.4 millions, ($1.3 millions in 1945). Loss ratios in all departments and the total were lower.

The Toronto General reports total net premiums at almost $1.2 millions, ($1 million in 1945). Total assets rose $244,000 to $2.4 millions and policyholders' surplus increased $77,000 to over $1 million. Like its associate, loss ratios in all departments and the total were lower.

Canadian General	1946	1945
Net prems. written ..	$1,465,655	$1,324,655
Assets	3,281,663	2,978,245
Res. unearned prems..	864,830	773,146
P'holders surplus	1,468,136	1,366,150
Loss ratio total	43.46%	44.44%
Automobile	43.34%	44.32%
Casualty	37.78%	38.80%
Fire	55.27%	56.01%
Toronto General		
Net prems. written ...	$1,199,172	$1,083,809
Assets	2,488,776	2,244,086
Res. unearned prems.	707,588	632,574
P'holders surplus	1,072,013	995,754
Loss ratio total	43.34%	44.78%
Automobile	43.90%	44.22%
Casualty	37.03%	39.62%
Fire	55.27%	56.01%

PRESSED METALS OF AMERICA, INC. 1946 net profit was up 27.5%. Because of demand for products, plant and equipment had to be greatly increased. Expenditures totalling $451,949 were made during the year and estimated expenses for 1947 are $400,000. Some company customers would like to have a second source of supply in case of emergency; therefore stock and notes of the Acorn Products Corp. to the value of $131,687 included in the expenditures cited, were acquired as a step toward meeting the requirements of customers, it was stated. This amount consisted of $50,261 in cash, and surplus war equipment previously purchased to the value of $81,426.

As a result of recent improvements in operations, a resumption in dividends is contemplated.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Gross sales	$5,299,608	......
Total oper, inc.	513,368	$416,664
Less: Deprec.	153,681	151,560
Res. for taxes	138,562	91,660
Net profit	221,125	173,444
Less: Com. divs.	......	134,285
Surplus for year	221,125	39,159
Earnings per Share and Dividend Record:		
Earned	$0.82	$0.65
Paid	....	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$132,576	$403,342
Accts. rec.	530,383	257,354
Inventories	867,836	602,345
Total curr. assets ...	1,530,795	1,263,041
Prep. ins., etc	9,795	10,627
Inv. in Acorn Prod. ..	131,687	......
Mkt. secs., less res. ..	4,000	4,000
Misc. assets	20,738	21,669
Fixed assets*	1,298,088	1,207,437
Total assets	2,995,103	2,506,774
Total curr. liab.	369,689	158,157
Adjust. & extens. res.	400,000	350,000
Capital stock	268,570	268,570
Capital surplus	921,567	921,567
Earned surplus	1,035,277	†808,480
*After depr. of	1,341,683	1,232,571
Working capital	1,165,106	1,104,884

†After returning wartime and other contingency reserves of $341,203 to earned surplus and allocating $350,000 to adjustment and plant expansion reserve.

SEIBERLING RUBBER CO. of CANADA 1946 net profit was almost double that of the previous year (14 month) at $80,804. These are the highest earnings in the history of the company. Despite work stoppage of almost four months the sales volume substantially exceeded that for any pre-war year, President M. L. Brown, stated.

Net working capital has been increased to $1,011,396, and net worth, represented by capital, surplus and reserves increased to $892,056. Current production rate is higher than ever before in company's history and unless unforeseen delays arise from material shortages, 1947 production will probably break all previous records, the president says.

INCOME ACCOUNT

Periods Ended:	12 mos. Dec. 31 1946	14 mos. Dec. 31 1945
Net earnings	$375,909	$301,970
Less: Deprec.	76,090	196,620
Bond int.	28,090	27,183
Int. & exch., less disc. & misc. inc. .	4,925	9,784
Income taxes	86,000	27,200
Net profit	80,804	41,183
Less: Com. divds.	12,500	15,658
Surplus for year	68,304	25,525
Times Bond Interest Earned:		
Before depr.	9.65	10.75
After depr.	6.94	3.52
Earnings per Share and Dividend Record:		
Common	$1.62	$1.32
Paid	‡0.25	‡0.50

‡Incl. 25c. pay. Feb., of following year.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$371,538	$362,305
Accts. & bills rec.	359,226	298,740
Inventories	662,036	523,486
Total curr. assets ...	1,392,800	1,184,531
Prep. ins., adv., etc.§ ..	6,257	2,882
Def. chgs., etc.▲	70,289	56,450
Fixed assets*	485,370	505,131
Total assets	1,954,716	1,748,994
Accts. & tax. pay.	259,306	195,541
Serial bonds pay.	25,000	20,000
Other curr. liab.	103,354	67,089
Total curr. liab.	387,660	282,630
Funded debt	675,000	460,000
Deferred liabs.†	......	493,480
Reserves	77,760	77,438
Capital stock	342,905	62,630
Capital surplus	95,677	95,677
Earned surplus▲	375,714	277,139
*After depr. of	1,067,125	1,019,248
▲Incl. ref. EPT	44,800	44,800
Working capital	1,005,140	901,901

†Subordinated to first mtge. bonds.
§Incl. in curr. assets in co's. report.

STARCOURT GOLD MINES says that magnetometer crew has commenced cutting picket lines. Survey is to be carried out under direction of Douglas Parent, resident engineer.

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Quebec Hydro-Electric Commission	2¾%	1967	100¼	2.74%
New Brunswick, Province of	2¾%	1967	99½	2.78%
British Columbia Electric Co.	3¼%	1967	102½	3.08%
Abitibi Power & Paper Co.	3½%	1967	102½	3.33%
Brompton Pulp & Paper Co.	3½%	1966	101½	3.39%
English Electric Co.	4%	1967	102	3.85%
Gair Co. of Canada Limited	4%	Preferred	Market	4.00%

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Tax Cuts Should Be Next

In recent months the Dominion Government has announced the end of various wartime subsidies on consumer and other products and has promised the virtual elimination of all such payments within the near future. Heavy contributions from the public treasury have been discontinued on milk, on wheat and cotton for domestic consumption, and most of those still being paid on scores of other products, both domestic and imported, are scheduled to be dropped in a matter of weeks.

This withdrawal is sound and in keeping with the promises made when the subsidies were first announced early in the war.

Only in wartime, when production is mobilized into abnormal channels, and free international movement of goods is impossible, could there be any justification for the expense and interference of controlling prices via subsidies and bonuses. Under normal conditions, the law of supply and demand exercises all the control necessary. Rising prices will tend to encourage greater production, the use of substitutes, and eventually lower prices. Falling prices will discourage overproduction, the use of substitutes and eventually shorter supply and higher prices.

The public gains nothing and loses a great deal when the Government steps in and pays a portion of our milk bills, or of the cost of our shirts or our butter. As taxpayers, we contribute the money so paid by the Government plus the substantial cost of maintaining an army of clerks, bookkeepers, accountants, and the other bureaucrats involved. It is far simpler and far cheaper to pay the full price out of our own pockets and, in addition, we have the wholesome knowledge of what these goods we are purchasing actually cost.

But this is only half of the story.

For each subsidy dropped the taxpayer will expect, and he has every right to expect, an equivalent drop in taxation.

To the end of last year almost $350 millions was paid out in direct subsidies and bonuses by the Wartime Prices and Trade Board since Dec. 1, 1941. Trading losses by a government corporation set up to keep prices of international commodities down, amounted to over $57 millions, agricultural subsidies and bonuses on dairy products and wheat, $200 millions, and administration costs of the special boards involved $60 millions. These were the main items. As well, there were scores of lesser ones, bringing the grand total to considerably over $700 millions.

There is a real chance for government economy in these figures, a real opportunity for Finance Minister Abbott to make some substantial tax cuts in his coming budget.

Reports Have a Responsibility

Company executives reporting to shareholders this year have both an unusual responsibility and an unusual opportunity. Not only are investors (the owners of the businesses) studying the reports more closely in view of uncertainties regarding the business outlook, but employees and the public generally are also giving them increasing attention.

This wider audience makes it particularly important that annual reports present adequate financial and statistical data in clearly understandable form. And the job of explaining the year's financial results will not be complete unless management goes beyond the mere presentation of facts to comment on their significance.

Economic trends affecting the business and the management's appraisal of the outlook for the coming year are also data desired by both shareholders and employees.

Labor today analyzes corporate reports perhaps more keenly than do stockholders. Unions sometimes have experienced experts on their staffs to interpret such statements.

But management should also realize that a clear, full presentation of the facts will be one of the best safeguards of our private enterprise system. The more fully informed shareholders and employees are kept the better management is doing its job, the less danger of wrong conclusions.

Data on the number and distribution of shareholders, on employment, wages and on the breakdown of the sales dollar may be the most effective way of countering irresponsible claims about a corporation's ability to raise wages without advancing prices.

Management should realize the importance of its annual report in telling the story of its business to a wider audience than ever before, and spend adequate time deciding how to improve its presentation.

Good Example

The University of Western Ontario announces the second award of the J. William Horsey Graduate Fellowship for research in food distribution. In addition to travelling expenses, this fellowship carries a grant of $1,500 per annum for two years. It is donated by William Horsey, president of Dominion Stores Ltd.

Here is another excellent example of the cooperation of business and research in special fields.

Same Old Plan

Tabled in the House of Commons is a draft memorandum of the proposed International Wheat Agreement. Parliament should examine this critically. The Northwestern Miller, outstanding U. S. authority on grain and milling, did so and here is its conclusion:

> "Breaking this sweeping proposal down and considering it paragraph by paragraph, it appears wholly impossible to find one single suggestion which would, by the widest stretch of the imagination, be acceptable to surplus-producing countries, or, if acceptable to some of them because of self interest, which would not blow up at once if these self interests ceased to be served. This particularly applies to the provisions for world-wide 'over normal granaries, to apportionments, and, most of all, to fixed price bases at the level considered fair to both producers and consumers'."

For years a group of international agricultural theorists have been trying to tie Canada to some agreement of this sort, hoping that in some fantastic way they can get others to solve what is largely our own wheat marketing problem.

After all the disastrous international attempts to control the price and output of coffee, rubber, sugar, cotton and other natural products, its about time we realized that we can't hope to ram our products down someone else's throat and at our own price. Even if all world producers of a widely grown product could co-operate, and there is no record of such success, the other partner to the deal, the consumer, would still resent it.

Business Can Be Stabilized

Can anything be done to level out the peaks and hollows of the traditional business cycle? Or must we just sit back and take the roller coaster ride that fate ordains?

A large and dynamic group of outstanding American businessmen have accepted the view that something can be done to moderate (though not eliminate) the business swings. Linked together in the Committee for Economic Development, these men are studying the various means for fostering economic stabilization. By no means least of CED members' chores is preaching the gospel of stabilization to fellow businessmen, showing why it is necessary, discussing ways it might be achieved.

This stabilization program is the second main job CED has undertaken. Its first was to assist in maintaining high level employment during the war to peace industrial change-over. Its 2,900 local committees in as many American communities had 70,000 leading businessmen planning, talking, distributing handbooks, manuals and films, all designed to help industry to help itself and the enterprise system which it wants to maintain, by effecting its change-over swiftly and with minimum community unemployment. This vigorous and broadscale effort certainly gets at least some of the credit for the U. S. success in coming through the transition with very small unemployment. In CED words, "the inevitable is not invulnerable when enough intelligent people join to oppose it."

Canadian businessmen would do well to keep an eye on the CED, on its works and on its study material. In Canada, the view that booms and depressions are ordained by fate and beyond man's power to influence is still widespread. Holders of the opposite view are relatively few, unorganized and generally inarticulate. In this country it is government which (in the White Paper of 1945) has taken the leadership in outlining stabilization policies, many of them now tangled up in Dominion-provincial agreements.

Businessmen know far better than government what makes business tick and what will keep it ticking.

The CED says it is the proper duty of enterprises in an enterprise economy to try to make the business machinery serve more people better more of the time. The CED says it is better for business to plan and co-operate voluntarily on stabilizing business than to sit back and let a situation develop where government will be forced to try stabilization.

And if depression threatens, make no mistake about it: Government—no matter what government and no matter how it labels itself—will most certainly try to do a stabilizing job. As it did in war, government will again undertake over-all regimentation of business and broadscale share-the-wealth programs.

The Committee for Economic Development is an excellent example for Canadians.

Traffic Snarls and Divorce

Hon. Russell T. Kelley, Ontario Minister of Health, has been criticized in some quarters for making too many public speeches recently. The validity of such criticism is debatable. It may turn out that Mr. Kelley will have to raise his voice even more often than he has before the right people listen.

This possibility is particularly true of some of his more profound remarks, which on first hearing, carry only a tone of banter. On third or fourth repetition, their significance may dawn on a slowly awakening people.

In this category is Mr. Kelley's belief that there is a relationship between traffic congestion and the divorce rate in large cities. Happily married men in small towns will be inclined to smile benevolently at this fantastic theory and dismiss it as one of those remarks made by men in public life for the sole purpose of attracting attention to themselves.

But not the city dweller. Too often has he marvelled at his wife's patient forbearance when he returns home from the office, nerves on edge from miles of driving at snail's pace in heavy traffic. Too often has he let the accumulated exasperation of twenty traffic jams explode over some petty triviality at home. Until now he has been satisfied to blame his liver, or the fact that he carries too many responsibilities at the office.

Now that Mr. Kelley has put his finger on the real cause, the city dweller can take stock of his peril calmly and objectively. He has two alternatives before him. One is to turn his car over to his wife and let her develop into a crotchety neurotic in the same manner. The other is to view the matter philosophically, like the man whose wife threatened to leave him, unless he gave up golf.

"I'm going to miss her," he said, sadly, as he cracked a perfect tee shot down the fairway that afternoon.

Stop Me If—

The big man and his wife were returning to their seats in the theatre after the intermission.

"Did I tread on your toes as I went out?" he asked a man at the end of a row.

"You did," replied the other grimly, expecting an apology at least.

The big man turned to his wife. "All right, Mary," he said, "this is our row."

* * *

Wilkins felt he could never ask Valerie to become his wife because she was an angel, whereas he himself had many little weaknesses of which no angel would approve. Valerie, on the other hand, kept thinking it was about time he popped the question.

Then, one moonlight night, he spoke up.

"Valerie, w-will you-you m-marry me?" he stuttered, hardly daring to hope she had heard him.

"You bet!" she replied, briskly, already deciding on white satin and four bridesmaids.

"I know, darling, I know," he almost wept, "but if you'll only say 'Yes' I'll never back another horse as long as I live!"

* * *

A land army girl and a handsome farm lad were walking along a road together. The farm lad was carrying a large pail on his back, holding a chicken in one hand and a cane in the other, and leading a goat. They came to a dark lane.

Said the girl: "I'm afraid to walk here with you. You might try to kiss me."

Said the farm lad: "How could I, with all these things I'm carrying?"

"Well, you might stick the cane in the ground, tie the goat to it, and put the chicken under the pail."

Post Scripts

New Metropolitan Head

Glen J. Spahn (pronounced spawn) is the new Canadian chief of operations for Metropolitan Life in Canada. He succeeds Edwin C. McDonald, who has been recalled to the New York head office.

Spahn's "specialty" in the life insurance business is field personnel, and the education and training of salemen and field executives. From 1941 he was a field personnel officer for Metropolitan with headquarters at New York; more recently he has been a third vice-president in charge of field training under C. J. North, who is Metropolitan's boss of field management activities. Now he will have under his jurisdiction the 3,100 Canadian employees of Metropolitan, plus an entirely new field of activity by reason of the fact that 41% of Metropolitan's Canadian business comes from the province of Quebec. To Spahn this doesn't look like a very hard ball to keep rolling, for his philosophy of life insurance selling is that principles don't change — only their application.

MR. SPAHN

He himself, since 1927 when he joined the company as a raw recruit straight from college in Nebraska, has had plenty of chance to see these principles at work. His first life insurance sale was in Rockville, Illinois. He had been taken out on his new "debit" by the local manager. Early in the day he came to a home where a woman had two policies taken on the lives of her children and each costing 10 cents a week. The woman wasn't home but she had left an extra 20 cents and wanted to take on two more policies —twenty-year endowments with a face value of $100 each. Spahn collected the money and came back that evening and wrote the two new policies.

From then on the Spahn success story was slow but sure. By 1934 he had moved through various promotions to become a company manager in Madison, Wisconsin. Three years later he was a superintendent of agencies with jurisdiction over five states in the company's southwestern territory. In 1941 he came to head office as field personnel officer; moved a further step up the ladder in 1944. In his new job he becomes a "second vice-president" in the company hierarchy.

Glen Spahn was born in Culbertson, Nebraska, 41 years ago. Quiet, studious, unassuming, he practices what he preaches as to the importance of "sound work habits" and a "right" attitude as primary keys to life insurance success. Add to these "knowledge of the business" plus acquired "sales skills" and the formula is complete. He is married, but still pretty fond of golf and fishing.

—Cartoon by Grassick.

Fur to Plastics

At Niagara Falls, recently, the Society of the Plastics Industry, Canadian section, put short, stocky Joseph Henry McCready, 46, of Montreal at its head, while the 60-odd member companies and many more affiliated individuals laid plans to keep their "war baby" strong and healthy.

MR. McCREADY

SPI president McCready frankly acknowledges that the war "made" the plastics industry in Canada, accelerating its development by providing an assured market and, in some cases, government loans for expansion. His problem now as president will be to help the industry co-ordinate its efforts while it struggles with such questions as raw materials supplies, quality and design of product, and labor.

Born in Liverpool, Eng., and educated in the public schools there, McCready came to Canada in 1913 and settled in Montreal. His first job was in the fur manufacturing business, but just as soon as the Army would take him, he enlisted in 1916 in the Medical Corps and went overseas, later transferring to the Engineers where he remained until the finish.

He returned to Montreal, got some more experience, and in 1928 went into the fur business for himself. The 1929-30 depression and its effect on the market for furs closed that, and in 1930 he joined the electrical supplies manufacturing firm of Hale Brothers in Montreal. He has remained with the firm since, now holding the position of secretary-treasurer.

Like most other manufacturers of electrical supplies, Hale Brothers had gone into the bakelite field in 1926. When the Dominion Government started to look around to see where it was going to find men with some of the equipment and the know-how in producing the vast quantities of every type of plastics item it required, small companies such as Hale Brothers (125 employees) were on the job. McCready himself served on the advisory committee to the chemical controller during the war years.

Plastics past? It helped to win the war. Its future in Canada? "That's a hard question," says McCready with his soft accent. "If we can get the raw materials, we have enough capacity to take care of Canada's demand — so far." But new uses are opening new markets, so the future remains a big question mark. Just how big, the president of SPI himself isn't quite sure.

Married, the activities of two daughters and a son at home keep him occupied. A son, Ernest, was reported missing in action serving with the RCAF over Germany. His hobby is the Masonic order, and he is a Past Master of Ionic Lodge, Montreal, and past president of the Masonic Club.

What Others Are Saying

Editorial of the Week

Let's Have More Clamor

Winnipeg Tribune

Canada is getting some distasteful publicity these days regarding the shocking state of affairs in her jails, penitentiaries and mental hospitals. If, however, this has the effect of awakening the public conscience sufficiently so that government leaders will be shaken out of their apathy and forced to adopt the reform measures so long advocated, it will be all to the good.

Latest to draw the attention of Winnipeg to the appalling conditions in Canadian jails and penitentiaries is J. Alex Edmison, K.C., president of the Canadian Penal Association. As Mr. Edmison sees it the great curse of the prison system is the lack of segregation of different types of prisoners. It is a brutal thing to make a youth with decent instincts, who has made a bad error, spend three or four years in the company of sex perverts and thugs. Under a humane prison system this could not happen.

Contrary to the popular belief that jails are not too bad and that the inmates are not greatly affected by their stays in them, Mr. Edmison describes them as the "kindergartens of crime; they have all the bad features, bad sanitation, poor quarters and the mixing of prisoners."

Time and again attention of the Government has been called to the urgent need for penal reform but the pleas go unheeded. Until there is enough clamor from the public to force the hands of government leadess there seems to be no hope of remedial action.

Other People's Views

ELECTION SPECULATION at this time is profitless, says the **Ottawa Citizen**, which thinks there has been no substantial change in public feeling regarding parties since the last general appeal in 1945. It predicts: "If there was a general election tomorrow without some new and compelling issue to excite the voters, the old Latin tag, the status quo ante bellum, would in all probability describe the result."

CANADIANS HAVE A FRIEND in court in the appointment of Dr. Lewis Douglas, one-time McGill University principal, as new U. S. ambassador to Britain, says the **Montreal Star**. "Much will depend upon the manner he interprets American policy to the British and how, in turn, he reports British reactions to Washington. Canadians, who are themselves as deeply involved as the British and Americans, will be thankful that the new ambassador knows us so well. Our own future is at stake, for Canadian affairs march well only when our two chiefest friends and neighbors are in accord."

WHEN SUBSIDIES ARE USED to raise wages in any industry, declares the **Vancouver Sun**, then "they are nothing but a disguised dole. The case of the Maritime coal industry is no different from that of any industry whose costs exceed the value of output. It is not reasonable to demand that costs already too high be further increased by meeting uneconomic wage demands."

OUTLAWING THE REDS does not get the approval of the **Windsor Star**. "As a rule Canada moves slowly in the direction of suppressing any movement, political or ideological. We still cling to the principle that it is better to have such groups out in the open, that outlawing them merely drives them underground and makes them harder to cope with. Generally speaking, that is a sound view, as has been proven by experience."

A SCHOOL WITH TEACHERS of only one sex is like a home with only one parent, observes the **Calgary Herald**. "At the present time about one out of every four school teachers in Alberta is a man. But most of the men are in the larger centres. The towns and villages of the provinces have been badly hit by the shortage of male teachers; many of their schools are staffed wholly by women. Yet school children need male teachers. A big move in the right direction would be to provide salaries that would more nearly represent the teacher's importance in society."

"There Is No French-Canadian Problem"

Full Partnership Possible For Two Major Races Says Power

Understanding, not fawning or recrimination, will bring French and Anglo-Canadians into a full partnership, Hon. C. G. Power, former Minister of Defense for Air told a Toronto Canadian Club audience recently. Mr. Power has represented the predominantly French constituency of Quebec South in the House of Commons continuously since 1917. A digest of his Canadian Club speech follows:

We in Canada, without imperialistic ambition, without land greed, without robbing our neighbors, without racial subjection, without conquest, have as our very own the last great civilized land on the globe which has within its own borders opportunity for exploration, for development, for greatness.

Fine words, some say, but we never get anywhere in Canada. The reason generally given is that we cannot because we have the Quebec problem, or the French-Canadian problem or no national unity or a house divided against itself.

Now what about this difficulty—this problem—this division?

There is a difficulty, there is a division. There is no problem. There is simply a fact—a racial fact. It exists; it is insoluble in the sense that you cannot make it disappear. It is not insurmountable. Racial antagonism is as much a fact in Canada as our zero weather or our Rocky Mountains. Unity in the dictionary sense or reduction to uniformity is impossible. Union in the sense of a whole resulting from the combination of parts is difficult.

Partnership in the sense of alliance and co-operation is possible and, given certain factors, probable. The firm of Johnny Canuck and John Baptiste might possibly get along together on certain well understood terms.

Abbe Lionel Groulx, considered the foremost exponent of extremist isolationist theory, puts it succinctly when he says "you can have a marriage of reason, not a marriage of love." I prefer the expression "a marriage of convenience."

Why is this antagonism? Is it difference in language, difference in religion? The answer is yes, to some extent, but these are not the full explanation.

The difference fundamentally is in the mental and temperamental characteristics of two races which for centuries in the old world looked on one another as natural enemies. For centuries the English schoolboy was taught that he would be able to whip three Frenchmen and the French schoolboy was told to "beware of perfidious Albion." A common French expression is "filer à l'anglais" (run away like an Englishman), and we say in our vernacular that a person "takes French leave."

The history of England proudly and properly extolls the glories of Agincourt, Trafalgar and Waterloo, which for the French scholar are but instances of national humiliation. The experience of the races when face to face on this continent have not always been happy. In Quebec we speak of Frontenac's proud defense against Phelps, of the battles of Carillon and St. Foye. In Ontario, Joseph Papineau was the grandfather of a nationalist agitator called Henri Bourassa. In Quebec, William Lyon Mackenzie was the grandfather of the man we vote for. You know nothing, or next to nothing, of Laval, of Levis, of Talon, of Frontenac. We have never heard of Ryerson, or Strachan, or Simcoe, or Brock.

I am not urging a common history or a record of common heroes. I fear the effort to make such a history impartial would render its reading so dull and insipid that even the master's rod would be unavailing to make it interesting. The fact is that one side won, the other lost; and in many instances, if one side had a hero, the other side must have had a villain.

The new masters of Canada were alien in race, enemies of the French and their religion. They spoke a different tongue, had strange laws, arrogant manners. The combination was bound to add up to a grievance. The Anglo-Saxon for two centuries had swept like a colossus through the world, conquering, winning, acquiring, expanding. He could not be expected to have or to show any particular consideration for a small agglomeration of 60,000 leaderless and impotent peasants, cut off by thousands of miles of ocean from a motherland which had never treated them better than orphan children. The seeds of Canadian disunity were sown then.

During the intervening years the French-Canadian race was engaged in a struggle for survival. A struggle you did not experience because, unlike them, you constantly received reinforcements from extraneous sources. That the struggle was won eventually is a fact; that it left some residue of bitterness and resentment is also a fact. That they still persist today would be useless to deny and foolish to overlook.

There is a French fact and an English-speaking fact. So far as temperament and mental outlook, they are irreconcilable.

Bonne Entente meetings, appeals to mutual understanding, goodwill missions, have failed in the past and are likely to fail in the future, because of this mutual suspicion.

Let us abandon the practice of fawning on one another. Let us put the relationship on the same practical basis as any two individuals of different backgrounds when entering into an ordinary business. Let us recognize the advantage of varied assets and liabilities to achieve a mutual benefit.

Now let us write the prospectus. In so far as liabilities are concerned, the prospectus will be the most honest ever presented to the public. We have talked about them to ourselves and to the whole world. There will be no deception here.

Our assets, natural and material, are known. The working qualities of our artisans need no extolling. The common job of work stares us in the face. In former times we were handicapped by the fact that we were dependent almost entirely on others. From the earliest times down to pre-war days, capital, management, labor and knowledge came from abroad, almost in the order named.

The Society of One Hundred Associates, with French managers, and the Gentlemen Adventurers in Hudson's Bay, with Scotch factors, exploited our fur trade. English traders discovered and almost depleted the construction timber in old Canada. Foreign capital financed our railways, largely built by the brawn of immigrants. Pulp, paper and mining continues to pay tribute to our American neighbors.

But the war threw us back on our own resources. We found that we had all the things the other fellow had. We financed ourselves and other people. We experienced a magical growth in industry and we learned the scientific "know how."

Why not depend on ourselves in peace as we did in war? Our inheritance is rich and vast; our stake in the future is great.

"Where your treasure is, there will be your heart also."

The treasury will be found in the struggle for triumph over similar and common obstacles, in the pride of labor accomplished, even though these be accompanied by competition and rivalry. Such a struggle is bound to breed a kindred affection for the land which is being subjugated for the benefit of our children and our children's children. In that affection for our land is, let us hope, the spiritual common denominator which will seal the Canadian partnership for all time.

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Subscription Terms: Single copies, 15 cents. Yearly: in Canada, United States, Mexico and British Empire, $5; all other countries, $6.

Advertising Rates: Single insertion, $4.20 per inch. Contract terms upon request.

Authorized as second-class mail, Post Office Department, Ottawa.

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Printed and Published by
MACLEAN - HUNTER
Publishing Company Limited
481 University Avenue, Toronto 2

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Factory Building Checked—Costs Up 85%

Prices, Shortages Hit Plant Expansion Plans — See Canada-wide Slip in Land Market

Here's the coast-to-coast picture of demand and prices for vacant industrial land and factory construction in Canada (see story, page 1) as prepared by Financial Post correspondents in a special survey made last week:

Prices and sales volume for vacant industrial sites are at an apparent peak in most larger cities. But the two biggest, Montreal and Toronto, still are showing moderate gains over 1946 in both turnover and price.

Halifax reports land volume and prices holding.

Montreal sees turnover mounting, though less insistently, and prices still rising moderately from a 1946 position 15 to 25% over 1945 and 50 to 100% over 1939.

Toronto volume is holding at about 1946 level. Turnover mounted aggressively from 1942 through 1944, doubled the pace with war's end, doubled it again in Postwar Year 1. Toronto Industrial Commission reports 365 acres sold last year and 246 the year before as against 112 in 1944.

Toronto factory land prices are rising, though more slowly than in 1946. But, at that, going prices average 150 to 300% above pre-war levels for the same or comparable property. Appreciations of 400% and 500% aren't rare. And in one case brought to The Post's attention, the price hike has been even steeper. One industrial firm bought a choice industrial site in 1942 for $700 an acre, resold part of it recently at a 700% markup or $5,000 an acre. Only some of the appreciation in this case was attributable to erection meanwhile of an attractive modern plant on the part the vendor retained.

Windsor and **London** report volume steadying at or near 1946 levels, and prices ditto at an average 150% over 1939.

Regina sees turnover continuing at 1946 level, which was sharply up from 1945, and last year's price gains at least holding through 1947.

Calgary land sale volume, on the other hand, has been slipping for about 18 months. Main reason is that there is little utilities serviced land left. But additional sewer, water and road installations are planned and reversal of the local volume trend is seen for 1949. Calgary's factory land price level is reported rising now that the city corporation has unloaded just about all of its cheaper property. Current prices average at least 100% higher than 1945 and about 150% above pre-war.

Vancouver reports turnover holding a tick below the peak reached last October. Prices are seen holding at about 1946 level, or 10% below 1945 peak. This, however, is said to be 220% above the 1939 level.

Building Hesitates

Distinct slowing of the rate of volume gain has become apparent in Canadian factory building in recent months. Chief reasons: Building costs nearly double pre-war; shortages and delivery delays also at all-time peak; construction of modest-size plants eating up most of a year instead of the usual few months.

Doubt has mounted recently that 1947 will show rise in factory building volume comparable with last year's 83% over 1945 (1946 industrial construction contracts $138 millions against $75.5 millions, according to MacLean Building Reports Ltd.).

Evidence of hesitation: Factory building awards two months 1947 at $14.3 millions against $13.7 millions year before. Is recent hesitancy diminishing? Few are betting on it yet but something of the sort is at least suggested in February's $8 millions award total against about half that much year before.

Building costs—the recognized index, that is—have risen 50 to 60% on wages and materials prices. Added to this are "black market" bidding for both labor and materials, plus expensive waiting for deliveries and similar extraordinary costs. It is considered probable that by spring, the average cost of industrial building will have risen over 80% in seven years and about 30% since last summer alone.

Maritime factory building awards in 1946 were valued at $9 millions, 300% above 1945; Quebec at $60.7 millions or 100% above; Ontario at $52 millions or 59% up; Prairies at $5.5 millions or 16% up; B. C. at $11 millions or 103% above 1945. Few contractors are predicting further major gains in this category of building for 1947.

At **Halifax**, light manufacturing in the clothing and automotive fields is biggest contributor to current and proposed industrial construction and expansion. This, however, is on a modest scale. Halifax thinks building costs are near peak.

Montreal features textiles and building products, radio equipment and truck assembly in current and proposed plant expansion. It sees factory building volume and costs levelling off.

At **Toronto**, pharmaceuticals and toys, foods and one or two other special consumer fields lead the highly diversified industrial growth parade. Rise in building volume is moderating, but buoyed by continued migration to the suburbs. This is attributed severally to (a) trend to single-story design, larger sites, smaller communities, and (b) recent sharp advances in design of process machinery, tending to outmode old in-city plants. Building costs are seen near peak.

Windsor, featuring at the moment chemicals, pharmaceuticals, automotive parts, plastics, homecraft products and toys, finds factory construction volume slipping. Reasons: (a) repeated interruption in delivery of automobile and truck components during protracted labor unsettlement on both sides of the border in 1946; (b) still rising building costs and continued shortages. Windsor sees building costs inching up this spring, then holding.

London, eager for more than beer and shoes, is agog over its promised entry with Imperial Tobacco into cigarette manufacture, and expansion with Canadian General Electric in electric refrigerators. It sees local factory building volume and costs both near peak but likely to hold at about present levels through 1948.

Regina's future in furniture and foods is looking up. Its factory building volume is reported holding fairly well, but less certain for the longer term. Local real estate men, municipal and industrial officials mostly expect building costs to weaken in the third quarter but say they're still rising moderately as spring nears.

Calgary counts furniture and furnishings, light construction equipment and materials, food products and farm tools among stellar lights in its current plant expansion program. It sees building costs settling before long but staying close to present high levels for several years. On factory building volume, the foothills city sees some falling off; complains of prices, and of shortages—particularly cement.

Vancouver's widening industrial horizon finds forest products looming ever larger. Current and proposed plant expansion features wood treatment, pulp and paper, furniture, pleasure craft, other lines based on wood. But B. C. "eggs" are being stowed carefully in many baskets—optical instruments, oil refining, heavy machinery, iron and pipe, foods and textiles are among industrial growth headliners.

"Near, but not yet at postwar peak," is the way Vancouverites see factory building costs and volume with approach of the 1947 second quarter.

Surplus War Plant

"If Ottawa could get its deadwood out of these premises the taxpayers would benefit and new industries could be housed."

That just about summarizes feeling expressed in municipal, industrial and real estate circles at Montreal, Toronto and Windsor, Regina, Calgary and Vancouver, about government-occupied factories, warehouses and military hutments.

Here is a spot check on war plants and military buildings at typical cities, and still held out of the market—and off municipal tax rolls—by government occupation.

Halifax — Some. But pressure mild. Proviso that buyer move his purchase to a new location seen one deterrent.

Montreal—Enough for several new industrial establishments of fair size. Buildings mostly readily convertible to light or medium industry use. Demand strong.

Toronto — Substantial amount but much of it designed for special or heavy industry, or otherwise "unsuitable for average industrial use." Former General Engineering plant in suburban Scarborough, loaded with war surplus goods, is broken up into many small connected buildings and corridors (blast protection) but thought to have possibilities for multiple tenancy light manufacturing. Other samples: Former Mosquito wing plant in suburban Weston, now full of valuable RCAF equipment moved from waterfront warehouses. "Surplus" sections of large area at the de Havilland plant in suburban North York. Demand strong.

Windsor — Canadian Motor Lamp and two other properties totalling 100,000 sq. ft.; sale negotiations proceed. Demand strong.

Regina — Substantial amount, much of it suitable for conversion to general industry use. Demand strong.

Calgary — Substantial amount of "readily adaptable" premises. Demand strong.

Vancouver—Substantial amount, much of it suitable for conversion to general industry use. Demand strong.

BUSINESS THIS WEEK

	JAN.	DEC.	NOV.	OCT.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	256.6	264.2	216.3	287.1	236.7
Dom. total expend.	170.8	177.0	204.3	177.4	246.9
MERCHANDISING					
•Dept. store sales index no. (1)	164.8	325.7	304.4	254.7	137.0
Retail sales index (no.)	....	281.9	245.4	227.1	256.1
Country store index (no.)	....	223.4	202.3	205.4	209.6
Wholesale sales index (no.)	....	220.0	256.9	276.8	220.0
FINANCE					
Dividend payment index (5)	151.2	149.6	148.2	147.8	140.3
•Bank debits (1)	....	201.0	205.2	210.3	206.1
•Money supply (millions $)	....	7,502	7,613	7,416	7.180
NEWSPRINT CAPACITY					
Production ratio	101.1	98.8	101.2	100.7	91.2
Shipment ratio	94.1	98.2	108.7	103.6	87.9
RAILWAY FREIGHT LOADINGS					
•Tons (D.B.S.) index	194.2	176.8	161.5	146.9	189.2
•Cars (D.B.S.) index	164.3	155.3	150.0	140.7	156.3
COST OF LIVING					
D.B.S. index	127.0	127.1	127.1	126.8	119.9
EMPLOYMENT INDEX, D.B.S.					
All industries	....	185.4	182.7	178.1	173.2
Manufacturing	....	194.1	192.8	188.4	184.2
Payrolls (June 1/41=100) (2)	....	159.5	154.6	150.1	139.3

			Jan. 1 to date		Change
RAILWAYS—(000's omitted)	1946-7	1945-6	1946-7	1945-6	%
•Carloadings (week Feb. 22)	68.5	65.5	533.7	516.6	+3.3
•C.P.R. gross rev. (Feb. 28)	6,186	6,218	44,395	45,908	—3.3
C.N.R. net rev. (Jan.)	831	2,276	831	2,276	—63.5
C.N.R. gross rev. (Jan.)	32,858	30,901	32,858	30,901	+6.3
C.P.R. gross rev. (Jan.)	23,359	23,309	23,359	23,309	+0.2
C.P.R. net rev. (Jan.)	187	1,218	187	1,218	+53.5
IRON AND STEEL (000's omitted) (Dec.)					
Pig iron production (tons)	161.5	135.2	1,403.8	1,778.0	—21.1
Steel production (tons)	237.3	219.3	2,334.6	2,881.3	—19.4
CONSTRUCTION (000's omitted)					
Contracts awarded (Jan.)	44,711	27,396	44,711	27,396	+63.2
•Building permits (Jan.) $	15,396	15,287	15,396	15,287	+0.7
•Cement prod., bbls. (Dec.)	973.8	769.2	9,953.8	7,090.8	+40.4
AGRICULTURE (000's omitted)					
•Flour prod., bbls. (Jan.)	2,478	2,240	2,478	2,240	+10.6
Flour exp., bbls. (Nov.)	1,368	1,000	14,263	12,765	+11.8
Wheat exp., bush. (Nov.)	16,852	38,316	143,289	291,574	—50.8
Cattle sales (Jan.) (4)	120.1	157.3	120.1	157.3	—23.6
Hog sales (Jan.) (4)	399.9	514.3	399.9	514.3	—22.3
SEA FISHERIES (000's omitted)					
Catch, cwt. (Jan.)	891	550	891	550	+62.0
Landed value (Jan.) $	1,882	1,381	1,882	1,381	+36.3
NEWSPAPERS (000's omitted)					
Production (Jan.)	370	328	370	328	+12.7
Exports, tons (Jan.)	345	316	345	316	+8.9
MINING AND OILS (000's omitted)					
Coal prod., tons (Nov.)	1,577	1,791	16,225	14,952	+8.0
Gold prod. (fine oz.) (Nov.)	231	225	2,601	2,453	+6.0
Petroleum prod. (bbl.) (Nov.)	620	652	7,012	7,823	—10.4
ELECTRICAL POWER OUTPUT (000,000 omitted) (Dec.)					
Total monthly kw.h.	3,672	3,289	41,604	40,101	+3.7
FOREIGN TRADE (millions of $)					
•Imports (Dec.)	181.9	121.2	1,927.3	1,585.8	+21.5
Exports (Dec.)	211.9	234.8	2,312	3,218	—28.2
FINANCE (millions of $)					
•Bank debits (Jan.)	6,216	5,991	6,216	5,991	+3.7
•Bond sales (Feb.)	153.5	174.4	461.7	361.2	+27.8
•Life insurance sales (Jan.)	100.7	82.6	100.7	82.6	+21.9
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
•Shoe prod. pr. (Dec.)	3.1	3.1	43.2	39.0	+10.8
Cigarette cons. (no.) (Jan.)	1,247	1,491	1,247	1,491	—16.4

(1) Base period 1935-39=100.
(2) All industries.
•New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, ets.
(6) d—deficit.

Factory Property Prices Level Off Across Canada

(Continued from page 1)

ada. The answer boils down to this:

The Canadian "plant" of the 1900's can't be stretched to meet production requirements of the 1940's. Building in two long periods during the later decades has been largely for war and heavy industry. Building during most of an entire decade—the 1930's—was of little consequence. Now, we're trying to do everything at once—accommodate a huge expansion in light manufacturing, while liquidating similar backlogs in houses, stores, schools and highways. It just can't be done—too much for Canada's building material plants and construction labor forces.

But that hasn't kept industrial management from plunging into the postwar building fray. The rising volume of factory construction in 1945-46 has helped push building prices to all-time high ground this spring. And it has helped bottleneck construction performance as never before.

The inevitable reaction has come. Factory building costs appear near peak and so does demand at current prices.

Expansion Bottleneck

Factory premises for rent? Not a hope. Ask U. S. firms organizing branch plants in Canada. Ask new and expanding Canadian industries. Ask local industrial officials in almost any manufacturing centre.

The answers add up to this.

"Canada-wide scarcity of factory premises for rent is seriously hampering if not stifling small industry enterprise and expansion."

Points of worst shortage include Toronto, Montreal, Sherbrooke, Windsor, London, Winnipeg, Calgary, Edmonton and Vancouver.

Little if any new space for rent is being built or otherwise provided. In rare instances—as at Stratford and Sherbrooke—the city corporation has stepped into the breach to build for multiple or single occupancy. Calgary and one or two other cities are said to be studying this procedure (The Financial Post Feb. 22). But there is little evidence it will be widely copied despite pressure of need. Costs are one strong deterrent. Building supply and labor shortages are another.

Apparent volume of need could be deceptive, in factories as in houses. As one industrial realty agent puts it: "There is a tendency to use a magnifying glass in looking for rental factories. You might see need for 100 new factories. You might find that when 50 became available they were enough to satisfy effective demand."

But, against this argument for conservative appraisal, there is today's real, widespread and clamorous demand for factory rental space. And there is almost universal agreement that its lack is holding back many new manufacturing enterprises, some of them important job-creators.

Toronto's plight is startling. Right now over 150 firms are queued up for a non-existent 200 million sq. ft. of rental factory space in Greater Toronto, according to Toronto Industrial Commission. Some are offering premiums and fancy rents for second and third grade accommodation at fifth or tenth grade locations—and not getting it. "Doubling up" has come to factories as well as homes.

"High" is the word for factory rents. Pre-war rates may have been below "normal." But today's rents are well above that mysterious point, at roughly double the 1939 average and 25 to 50% above the 1945 level. Montreal properties are "holding" at 40 to 50c. a sq. ft. per year, and comparable cities are near that figure.

Where factory rents are not holding at present levels, they show a rising tendency rather than any weakening. This rise appears to be blocked only by absence of this "commodity" from the market. Peak demand and premium rents together have not been strong enough to induce building for rent against current construction costs and bottlenecks.

(There has been neither a hard and fast "freezing" of tenancy nor any standard ceiling over factory rents, as in most other categories of "commercial" property. For factory rents, WPTB's rental administration has acted mostly as a court of referral in cases of dispute over rates or occupation.)

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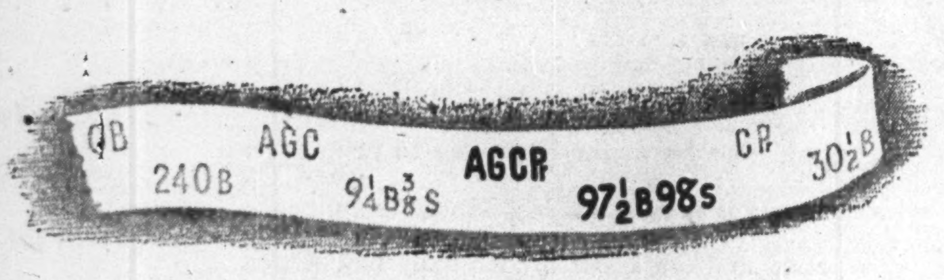

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Veterans' Enterprise

Flying Is Easier Than Financing But Veterans Make New Line Pay

From Our Own Correspondent

EDMONTON—As in the case of railways, equipment trust certificates are one of the best means of financing an aviation company in Canada, according to Jack Moar, president and managing director of Peace River Northern Airlines.

Composed mainly of Air Force veterans, this company started operations last August. In its first month of business it flew about 4,000 ton miles of freight and some passengers. Since then its business has expanded 10-fold. Head offices are on the basement floor of the King Edward Hotel in downtown Edmonton.

On the subject of financing, Moar says, "About the only way any group of aviation men can keep control of a company, unless they put up all the money themselves, is by sale of preferred stock, bonds, debentures, or equipment trust certificates. We favor the latter."

He added that financing an aviation company in Canada is more expensive than in the U. S. He claimed that in the United States large aviation companies obtain capital at 3½% interest and less, whereas Peace River Northern pays 6%.

The fact that his organization has been able to show a profit from its inception, Moar attributes to the route it obtained under its license from the Air Transport Board. Instead of following the Mackenzie River route of the old bush pilots to the far north, his company operates a direct route to the Yellowknife mining fields from Peace River.

How To Start An Airline

In entering the big business game of commercial flying, starting from scratch, Peace River Northern's brief history might serve to show air-minded veterans what they are up against.

Nine out of 10 of the company's pilots once wore Air Force wings. The other was a staff pilot at an air observers' school. The ex-Air Force men have tours of operations behind them, decorations for courage and skill, and thousands of combined hours of Canadian, continental and transatlantic transport flying in their log books.

Moar himself served in the RCAF from 1924 to 1930. After his discharge, he flew the night mail for the old Western Canada Airways till 1932, was traffic manager for Canadian Airways till 1934, and helped form Wings Ltd. in Winnipeg. He left Winnipeg in 1938 to go to Yukon Southern in Edmonton as operating manager. When Aircraft Repair's plant opened in Edmonton during the war, he became its production manager.

In 1945 Aircraft Repair's job came to an end. In October, of that year, Moar made out an application to the Air Transport Board and seven months later he and Bruce Reid, owner of a number of hotels in Alberta, obtained approval for formation of a company known as Northern Flights. The company operated from Peace River along the winter trucking route to Yellowknife.

At the beginning, one Tiger Moth comprised the company's "fleet." Dick Cull, an ex-fighter pilot, was employed to fly it. Next they added a Cessna Crane and rented Ansons and DC 3's from other companies and individuals. Their payroll increased to 17 persons and they acquired offices at Yellowknife, Peace River and Lower Hay River.

Veterans Get Together

During this period a group of Air Force pilots were considering ways and means of staying in flying when they shed their uniforms. One of this group was D. K. Simmans, who did his second tour of operations on torpedo bombers and who flew out of Edmonton on the Northwest Staging Route. He is vice-president of the present company today. Another was

MR. MOAR

John Bourassa, born in Peace River, a double D.F.C. and a transatlantic transport pilot, who is a company shareholder and an active pilot. The group was joined later by Ray Crowther, who won a D.F.C. in bomber command, and who is now secretary-treasurer of the company.

Putting up some of their own money and after considerable difficulty, this group secured the promise of a license from the Air Transport Board to fly nonschedule from Edmonton to Peace River and Yellowknife, plus a bush charter service out of Yellowknife, Fort St. John and Edmonton.

Early last summer the heads of the two companies decided to get together. Northern Flights contributed about $30,000 worth of assets and experience. The other company, known as Peace River Northern Airlines, contributed its name, $5,000 of the boys' own money, and $20,000 of mostly preferred and some common stock raised by public sale of shares. In August, 1946, the merger took place.

On the board of directors are Reid, Mrs. Moar, Dr. George Casper who is a medical practitioner in Peace River, and Jack McNeil, once an RFC observer and at present a United Grain Growers superintendent.

Outfitting Doubles Costs

The merged companies immediately bought three Ansons through dealers from War Assets Corp. for $5,000 apiece, which by the time they were delivered complete with certificates of airworthiness had cost about $10,500 each ready to carry passengers or fitted with larger doors for freight carrying. Money was spent on tools, radio sets, jeeps, trailers and other equipment. These were purchased from War Assets, Imperial Oil's Canol project and supply houses.

More money was needed, so $85,000 worth of equipment trust certificates were sold, $35,000 worth going to Reid.

Four more Ansons and a DC 3 were bought. Offices and warehouses, refuelling tenders and gravity tanks were installed at Peace River, Lower Hay River and Yellowknife. The company provided its own maintenance facilities in a hangar at the Edmonton airport, which was rented from the city. All aircraft are flown into Edmonton for 50,- 100,- and 1,000-hour checks. There are field workshops at Yellowknife.

All planes are radio-equipped and ground radio stations have been put in at Peace River, Lower Hay River and Yellowknife.

Total staff is now 41 persons.

The company began operating in August with four main accounts. Early business came largely from contractors building the Grimshaw-Yellowknife winter road and from supply houses in Yellowknife. A contract has been signed recently with the Grimshaw - Yellowknife Transportation Co. to fly a minimum of 500 tons of freight across Great Slave Lake before spring breakup. Moar estimates this contract will actually amount to 1,000 tons.

At first mining companies were reluctant to give Peace River Northern their business, preferring to wait until the company could look after them in the bush as well as they could on their run into Yellowknife. This meant pontoon-equipped aircraft. Moar states this has now been assured and his planes will be "splashing water" this summer.

Mine Business Pays Off

Also, the mines, with government assistance, are building bush airports at such points as Indian Lake, Discovery and Courageous.

The result is that Peace River Northern is gradually acquiring the mine business, which, as Moar says, is "what really counts."

Plane loads last fall were split about evenly between passengers and freight. Now they are composed of almost 75% freight.

Pilots skilled in dodging flak had to learn the ways of the bush pilots. Bourassa on one occasion, due to weather, had to make a forced landing in a clearing along the tractor road, walk 15 miles for gasoline, and tramp down a runway for take-off. When Cull started flying the Tiger Moth he had to drain the oil and use plumber's firepots and engine covers to heat his engine. This has been overcome by use of Herman Nelson heaters powered with gas engines and electric motors. The pilots have also had to learn how to handle tickets, freight, waybills, etc.

With the company expanding rapidly, profits are being plowed backed into the business. Moar does not expect a dividend will be declared for the first two years. Another public issue of equipment trust certificates will be made shortly.

Fortunately for the young company tariffs have to be filed with the Air Transport Board and rigidly adhered to. This eliminates the danger of a ruinous price war. Competition will therefore depend on service and Moar is satisfied his Air Force veterans will provide a service the Far North needs.

125,000 Prefab Houses U. S. Objective for 1947

Special Correspondence

WASHINGTON—After a year of production difficulties which closed several plants and left others operating only at 10 to 30% of capacity, the prefabricated homes industry is now swinging toward large-scale output which may bring production up to 125,000 homes — the goal originally set for 1946.

Operating rates of some of the larger companies are reported to have increased 50 to 100% during the past three or four months.

But the industry as a whole is still a long way from capacity operation in its approximately 300 prefabrication plants, according to government agencies here.

Get More Lumber

Most of the recent improvement in production is attributed to increased supplies of building materials — particularly lumber. And the greater regularity and certainty of shipments to prefabricators have, in turn, permitted more accurate and efficient production scheduling.

Personnel and distribution problems are also being ironed out, officials say, as individual companies move out of the experimental stage and into permanent, long-term production and distribution plans.

Although industry output can move to higher levels only through the solution of production, distribution, and marketing problems, the key to 1947 production is still in the availability of materials, it is emphasized by U. S. government spokesmen.

Triple '46 Output?

The recent production gains are in particularly bold contrast to last year's records, because of over-optimistic predictions made in 1946. The goal of 125,000 homes set by the National Housing Administration for last year was not warranted, in view of the extreme shortages of materials.

How far actual production fell short of the NHA goal is indicated by year-end reports which showed a total output of only 37,247 permanent-type prefabricated homes.

Reports from individual producers and sales of materials to these producers give promise, however, that the 125,00 goal will be reached this year.

Capacity of the 300 plants which are suitably equipped for production is estimated at almost double this goal. And there are small plants still entering the field, it is said.

The industry believes that the long-range possibilities have not "been scratched."

COMPANY REPORTS

BREWERS & DISTILLERS of VANCOUVER 1946 net profit was up 88%. Sharply reduced income tax provisions was the main factor in improved showing. Notwithstanding handicaps incidental to shortage of materials and containers, and difficulties in carrying on manufacturing at the same time as building operations, the company's brewery exceeded all preceding records in beer production, President H. S. Tobin stated.

Strikes in the U.S., where the structural steel and a great deal of the machinery which is being acquired has to be imported, have seriously affected the time schedule of building operations and plant expansion. This has been further aggravated by labor disputes in Canada.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$1,377,422	$1,395,171
Add: Inv. divds.	111,706	109,713
Less: Inc. tax‡	716,000	1,076,000
Deprec.	38,550	38,241
Net profit	734,578	390,643
Less: Divds. paid	404,417	346,643
Surplus for year	330,161	44,000
‡Incl. refund. EPT	......	171,300
Earnings per Share and Dividend Record:		
Earn.: Excl. ref. EPT	$1.27	$0.68
Incl. ref. EPT	1.27	0.97
Paid	0.70	0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$1,757,063	$1,555,739
Accts. rec.	484,539	443,194
Inventories	445,774	408,863
Total curr. assets	2,687,376	2,407,796
Inv. in subs., etc.	1,039,845	1,680,000
Misc. assets‡	635,106	393,592
Fixed assets*	630,151	687,029
Plant constr.	1,000,395	......
Goodwill, etc.	145,467	207,467
Total assets	6,138,340	5,375,884
Total curr. liab.	1,103,252	883,901
Reserves	168,983	157,136
Capital stock	2,888,690	2,888,690
Surplus‡	1,977,415	1,526,067
*After depr. of	988,244	950,721
‡Incl. refund. EPT	390,150	390,150
Contingent liab.	80,879	247,681
Working capital	1,584,124	1,603,895

CANADIAN GENERAL INVESTMENTS 1946 net profit was off 4.8%. Net income derived from interest and dividends, after an appropriation of $14,473 as depletion against decline of equity in mining investments, was $569,175. Investments as at Dec. 31, 1946, are carried on the books at $8,752,257, consisting entirely of marketable securities. Present worth of same securities on a conservative basis is estimated at $13,421,512. Net assets had a value of $13,606,722 ($13,377,217 at end of previous year). On a per share basis, net apparent liquidating value was $22.65 ($22.27).

As a result of changes on portfolio holdings, profits amounting to $391,536 were realized on securities sold and redeemed.

The company's security portfolio consists of 187 individual issues and gives broad diversification. Below is classification of securities according to type of investment.

	1944 %	1945 %	1946 %
Cash	0.6	3.1	1.93
Bonds and debentures	6.4	6.8	6.00
Preferred stocks	44.6	43.9	44.14
Banks and trust cos.	3.2	3.2	3.36
Common shares	45.2	43.0	44.57
	100.0	100.0	100.00

PROFIT AND LOSS ACCOUNT

Years Ended Dec. 31:	1946	1945
Total income	$616,232	$638,963
Less: Expenses	32,584	28,511
Invest. res. (mines)	14,473	11,309
Inc. tax res.	6,276	7,900
Net income	562,899	591,243
Less: Dividends	504,495	462,453
Surplus for year	58,404	128,790
Earnings per Share and Dividend Record:		
Earned	$0.94	$0.98
Paid	0.60+0.24	0.60+0.17

BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$172,180	$360,182
Investments*	8,752,258	8,213,734
Accr. int. & divds.	120,577	98,026
Total assets	9,045,015	8,571,942
Accts., divs., etc., pay.	107,407	97,438
Invest. res. (mines)	72,632	59,559
Capital stock	3,002,945	3,002,945
Capital surplus	4,702,699	4,312,162
Surplus	1,158,242	1,099,838
*Market value	13,421,512	13,116,448

CANADIAN CANNERS LTD. 1,985 additional convertible preferred shares have been converted into a like number of common shares, the Montreal Stock Exchange is notified. Common stock now outstanding totals 183,440 shares and the preferred total is 309,346.

EAST KOOTENAY POWER CO. net earnings for the month of January totalled $24,537, a decrease of $3,512 from January, 1946. On a 10-months cumulative basis ended Jan. 31, 1947, net earnings totalled $352,931, an increase of $1,411 from the corresponding 1946 period. Actually the company grossed $66,465 in January ($64,734 in January, 1946,) but operating expenses at $41,928 were $5,243 higher than in January, 1946. Operating expenses do not include income and EPT.

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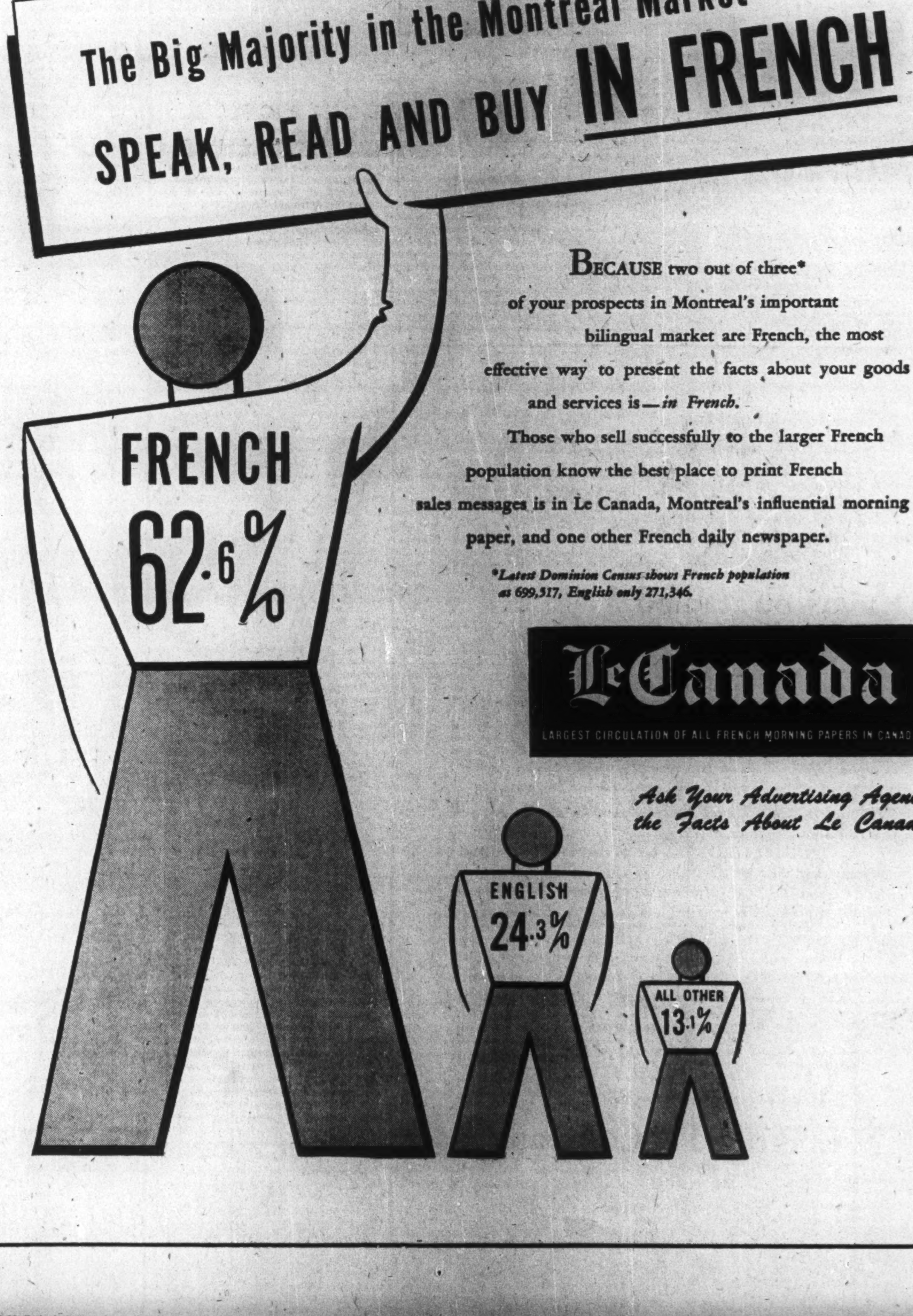

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Construction Trends — By CLIVE CHATTOE

New Try at $6,000 House Architects Take on Job

Why did the recent national architectural competition (The Financial Post, Dec. 28), fail to develop plans for a truly low-cost house?

Was it because today's house-building costs—60% to 75% above pre-war—make a $5,000 or even $6,000 house a thing of dreams and ancient memories?

Or was it because most of Canada's thousand registered architects left the job largely to students and draftsmen?

The Government and the architects themselves are prepared to bet on the second answer, and to take enough time off from bigger projects to prove the point.

Central Mortgage & Housing Corp., Ottawa, and the Royal Architectural Institute of Canada will produce and publish small house plans by representative senior architects.

A special committee of the Institute is being set up, headed by President Charles David, Montreal. Its job will be to secure actual architect participation.

An architectural selection committee also will be formed, either in the Institute, its provincial component associations, or in Central Mortgage. Its job will be to act as a clearing house, screen submissions, select suitable designs and forward to Central Mortgage for approval under National Housing Act minimum standards.

Central Mortgage, headed by David Mansur and Maj.-Gen. Hugh Young, will publish the sketch designs submitted by the selection committee, and promote sale of working drawings either with royalty payment to the architcet or by outright purchase by Central Mortgage, or both. Exact formula remains to be worked out.

• • •

'Take Up New Materials' Ottawa Urges Architects

This all came out at the recent 40th annual meeting of the Institute at Montreal. General Young, addressing the meeting, said there are two approaches to the housing problem . . . "public housing, with its subsidies and rent reduction funds, or provision of a house at a cost which a low-income family can meet.

"In our present-day economy of free enterprise," he said, "I feel that with ingenuity and imagination, using new materials and new methods of design, a suitable house at low cost can be made available.

"You, as architects, are faced with a great challenge—development of small homes. In the past, most Canadian architects have shown little interest. Not more than 5% of Canada's residential construction is planned by registered architects.

"Only 10% of the architects of this country submitted entries in the recent competition. We were very disappointed. We had believed that this competition, with the official sanction of the RAIC, substantial prizes and the appeals we made, would afford a definite and concrete opportunity of discharging your responsibility as architects."

Fortunately, as it now turns out, Canadian architects are not "too busy" to help develop plans for Canada's "low-cost house today." And many a long-suffering home-seeker will pray that the architect has the answer.

• • •

No Progress in Canada Toward 'Modular' Design

Little if any progress has been made in Canada toward standardization of building materials to conform to dimensions established by "Project A62," otherwise known as the modular system of co-ordination and developed by the American Standards Association.

The adoption of standard sizes for building materials "is very greatly to be desired and should be encouraged by all architects," said Chairman P. C. Amos of the RAIC committee on art, science and research at the Montreal meeting. "The scheme is well adapted to mass production of housing units and is progressing rapidly in United States and some European countries.

But Canadian manufacturers and architects have adopted Alphonse and Gaston roles. "Manufacturers are reluctant to change over their machinery until architects design buildings on the modular system. Architects are reluctant to do this until manufacturers produce the necessary-size materials."

Mr. Amos' definition of the modular system helps the layman understand a fairly complex formula. Here it is:

A module, or basic unit, of four inches, has been developed in America. All dimensions of buildings and sizes of building materials are therefore based on multiples of four inches.

With the design based on multiples of units, it follows in theory that all materials, the dimensions of which are based on the same units, must fit. This permits of standardization of building materials, thus enabling manufacturers to greatly increase production, to lower costs and to keep on hand large quantities of their products ready for immediate shipment. In addition, much of the cutting and fitting on the job is eliminated, work is speeded up, and the general cost reduced.

While the scheme is excellent and the nominal layout or plan is quite simple, the actual dimensioning and location of parts relative to the nominal layout is somewhat complicated. This is due to the presence of fractional parts of the module or unit—mortar joints, clearances in fitting of materials, overlapping of parts, fractional dimensions of materials.

• • •

Asks World Agency For Data on Housing

Forwarded last week to L. B. Pearson, Under Secretary of State for External Affairs, was an RAIC resolution that the Canadian delegation to the United Nations Economic and Social Council be instructed to request establishment of "an International Planning and Housing Information Agency." The Institute sees such an agency, with adequate resources, co-operating with the United Nations Educational Scientific and Cultural Organization, the Food and Agriculture Organization, the International Labor Office, and with existing associations such as the International Federation of Housing and Town Planning.

Other highlights of the RAIC Montreal meeting:

James H. Craig, Toronto, RAIC representative on the National Construction Council, said the December NCC meeting was told that priorities on housing material will be increased to cover 50% of total housing, instead of 30% as in 1946, and that they will apply generally to all types of lower-cost housing. (No such expansion of priorities has been announced officially).

"The whole idea has a distinctly Communistic flavor," said Gordon McL. Pitts, Montreal, of Saskatchewan's move to "socialize" 19 professions by bringing them under direct control of the State. He was reporting as chairman of the RAIC committee on "professional practice and usages."

A permanent library of photographs illustrating Canadian architecture is the object of current negotiations between the Institute and National Film Board.

Canada's newest (sixth) school of architecture has been organized in University of British Columbia, Vancouver, headed by Frederic Laserre, formerly of Toronto and Ottawa.

RAIC honorary fellowships have been conferred on Rt. Hon. W. L. Mackenzie King and L. Sylvester Sullivan of London, Eng.

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1944 REFUNDING ISSUE—Series "B"

PUBLIC NOTICE IS HEREBY GIVEN that the City of Montreal intends to and will redeem on May 1st, 1947, for purposes of refunding, pursuant to the provisions of By-law No. 1735 of the City the following debentures in Category A (payable in Canadian currency only) of the above mentioned issue at the redemption prices calculated in accordance with paragraph 18 of Article 4 of the said By-law, as shown in the following table, together with accrued interest on the face value thereof to the redemption date:

Maturing on 1st November	Bearing interest at the rate of %	Until		% thereafter	Redemption price %	Debentures to be redeemed
		Series "B"				
1955	5	1 March	1945	3½	100.00	All
1955	4	1 May	1945	3½	100.00	All
1955	4½	1 May	1945	3½	100.00	All
1955	4	1 June	1945	3½	100.00	All
1955	3	1 February	1946	3½	100.00	All
1957	4	1 May	1946	3½	100.00	All
1957	4½	1 May	1946	3½	100.00	All
1957	5	1 May	1946	3½	100.00	All
1957	4½	1 September	1946	3½	100.00	All
1957	4½	1 November	1946	3½	100.00	All
1957	4	1 December	1946	3½	100.00	All
1958	4	1 December	1946	3½	100.00	All
1958	3	1 February	1947	3½	100.00	All
1958	4	1 May	1947	3½	100.00	All
1958	4½	1 May	1947	3½	100.00	All
1958	4½	3 September	1947	3½	100.32	All
1959	3½	15 December	1947	3½	100.00	All
1959	3½	1 February	1948	3½	100.00	All
1959	5	1 February	1948	3½	101.10	All
1959	4	1 March	1948	3½	100.40	All
1959	4½	1 May	1948	3½	100.97	All
1959	5	1 November	1948	3½	102.17	All
1961	5	15 September	1948	3¾	101.65	All
1961	4	1 November	1948	3¾	100.36	All
1961	4½	1 November	1948	3¾	101.08	All
1961	5	1 December	1948	3¾	101.90	All
1961	3½	1 February	1949	3¾	100.00	All
1961	4	1 May	1949	3¾	100.48	All
1961	4½	1 May	1949	3¾	101.43	All
1961	4	1 September	1949	3¾	100.55	All
1961	4½	1 November	1949	3¾	101.77	All
1961	4¼	1 November	1949	3¾	101.18	All
1963	4½	1 February	1950	3¾	101.94	All
1963	3½	1 February	1950	3¾	100.00	All
1963	4½	1 May	1950	3¾	102.11	All
1965	4½	1 May	1951	3¾	102.76	All
1965	5	15 May	1951	3¾	104.65	All
1966	3½	1 February	1952	3¾	100.00	All
1967	5	1 March	1953	3¾	106.49	All
1970	5½	1 May	1954	3¾	110.69	All

The debentures so called for redemption will become due and payable and will be paid in lawful money of Canada at the principal office of the Bank of Montreal, or of the Banque Canadienne Nationale, or of The Royal Bank of Canada, or of The Provincial Bank of Canada, located in the Cities of Montreal, Toronto, Halifax, Saint John, N.B., Quebec, Winnipeg or Vancouver, Canada, at the option of the holder, upon presentation and surrender of the said debentures with all interest coupons maturing after May 1st, 1947 attached. Debentures registered as to principal must be accompanied by assignments or transfer powers duly executed in blank.

From and after May 1st, 1947, interest on the debentures so called for redemption will cease and interest coupons maturing subsequent to that date will be void.

DATED AT MONTREAL this twenty-eighth day of February 1947.

CITY OF MONTREAL

L. ROBERGE
Director of Finance

NOTICE OF REDEMPTION

To the holders of
CITY OF MONTREAL
CATEGORY D DEBENTURES (PAYABLE IN CANADIAN OR AMERICAN CURRENCY)
of the
1944 REFUNDING ISSUE—Series "A" and Series "B"

PUBLIC NOTICE IS HEREBY GIVEN that the City of Montreal intends to and will redeem on May 1st, 1947, for purposes of refunding, pursuant to the provisions of By-law No. 1735 of the City the following debentures in Category D (payable in Canadian or American currency) of the above mentioned issue at the redemption prices calculated in accordance with paragraph 18 of Article 4 of the said By-law, as shown in the following table, together with accrued interest on the face value thereof to the redemption date:

Maturing on 1st November	Bearing interest at the rate of %	Until		% thereafter	Redemption price %	Debentures to be redeemed
		Series "A"				
1950	3				100.00	All
1951	3¼				100.00	All
1952	3¼				100.00	All
		Series "B"				
1953	4¼	15 October	1944	3¼	100.00	All
1954	4¼	15 October	1944	3¼	100.00	All
1955	4¼	15 October	1945	3½	100.00	All
1955	4½	1 February	1946	3½	100.00	All
1956	4½	1 February	1946	3½	100.00	All
1957	4½	1 February	1946	3½	100.00	All
1957	4¼	15 October	1946	3½	100.00	All
1958	4½	1 February	1947	3½	100.00	All
1958	4¼	15 October	1947	3½	100.34	All
1958	4½	1 December	1947	3½	100.57	All
1959	4½	1 December	1947	3½	100.57	All
1961	4¼	15 October	1948	3¾	100.70	All
1961	4¼	15 October	1949	3¾	101.16	All
1961	4½	1 January	1950	3¾	101.88	All
1962	4½	1 January	1950	3¾	101.88	All
1963	4½	1 January	1950	3¾	101.88	All
1964	4¼	15 October	1950	3¾	101.61	All
1964	4½	1 April	1951	3¾	102.71	All
1965	4¼	15 October	1951	3¾	102.03	All
1969	4½	1 May	1954	3¾	104.58	All
1970	5	1 May	1954	3¾	107.63	All
1971	5	1 May	1954	3¾	107.63	All
1971	5	1 November	1956	3¾	109.91	All
1971	5	1 September	1958	3¾	111.43	All
1972	5	1 September	1963	3¾	115.16	All
1972	4½	1 December	1966	3¾	110.34	All
1973	4½	1 December	1966	3¾	110.34	All
1973	4½	1 December	1967	3¾	110.69	All
1974	4½	1 January	1970	3¾	111.38	All
1974	4½	1 April	1971	3¾	111.77	All
1975	4½	1 April	1971	3¾	111.77	All
1975	4¼	1 June	1971	3¾	107.88	All

The debentures so called for redemption will become due and payable and will be paid, at the option of the holder, in lawful money of Canada at the principal office of the Bank of Montreal, or of the Banque Canadienne Nationale, or of The Royal Bank of Canada, or of The Provincial Bank of Canada, located in the Cities of Montreal, Toronto, Halifax, Saint John, N.B., Quebec, Winnipeg or Vancouver, Canada, or, in such coin or such currency of the United States of America as at the time of payment is legal tender for public and private debts in the United States of America, at the Agency of the Bank of Montreal in the Borough of Manhattan, City and State of New York, United States of America, upon presentation and surrender of the said debentures with all interest coupons maturing after May 1st, 1947 attached. Debentures registered as to principal must be accompanied by assignments or transfer powers duly executed in blank.

From and after May 1st, 1947, interest on the debentures so called for redemption will cease and interest coupons maturing subsequent to that date will be void.

DATED AT MONTREAL this twenty-eighth day of February 1947.

CITY OF MONTREAL

L. ROBERGE
Director of Finance

NOTICE OF REDEMPTION

To the holders of
CITY OF MONTREAL
CATEGORY E DEBENTURES (PAYABLE IN AMERICAN CURRENCY ONLY)
of the
1944 REFUNDING ISSUE—Series "A"

PUBLIC NOTICE IS HEREBY GIVEN that the City of Montreal intends to and will redeem on May 1st, 1947, for purposes of refunding, pursuant to the provisions of By-law No. 1735 of the City all of the 3¼% debentures maturing 1st November 1953 in Category E (payable in American currency only) of the above mentioned issue at 100% of the face value thereof and accrued interest to the redemption date.

The debentures so called for redemption will become due and payable and will be paid in such coin or such currency of the United States of America as at the time of payment is legal tender for public and private debts in the said United States of America, at the Agency of the Bank of Montreal in the Borough of Manhattan, City and State of New York, United States of America, upon presentation and surrender of the said debentures with all interest coupons maturing after May 1st, 1947 attached. Debentures registered as to principal must be accompanied by assignments or transfer powers duly executed in blank.

From and after May 1st, 1947, interest on the debentures so called for redemption will cease and interest coupons maturing subsequent to that date will be void.

DATED AT MONTREAL this twenty-eighth day of February 1947.

CITY OF MONTREAL

L. ROBERGE
Director of Finance

NOTICE OF REDEMPTION

To the holders of
CITY OF MONTREAL
CATEGORY G DEBENTURES (PAYABLE IN CANADIAN OR AMERICAN CURRENCY OR IN STERLING)
of the
1944 REFUNDING ISSUE—Series "B"

PUBLIC NOTICE IS HEREBY GIVEN that the City of Montreal intends to and will redeem on May 1st, 1947, for purposes of refunding, pursuant to the provisions of By-law No. 1735 of the City the following debentures in Category G (payable in Canadian or American Currency or in Sterling) of the above mentioned issue at the redemption price calculated in accordance with paragraph 18 of Article 4 of the said By-law, as shown in the following table, together with accrued interest on the face value thereof to the redemption date:

Maturing on 1st November	Bearing interest at the rate of %	Until		% thereafter	Redemption price %	Debentures to be redeemed
1961	4½	15 July	1949	3¾	101.57	All

The debentures so called for redemption will become due and payable and will be paid in sterling at the principal office of the Bank of Montreal in London, England, or at the option of the holder, in lawful money of Canada at the fixed rate of exchange of $4.86 2/3 to the pound sterling at the principal office of the Bank of Montreal, or of the Banque Canadienne Nationale, or of The Royal Bank of Canada, or of The Provincial Bank of Canada, located in the Cities of Montreal, Toronto, Halifax, Saint John, N.B., Quebec, Winnipeg or Vancouver, Canada, at the option of the holder, or in such coin or such currency of the United States of America as at the time of payment is legal tender for public and private debts in the said United States of America, at the Agency of the Bank of Montreal in the Borough of Manhattan, City and State of New York, United States of America, upon presentation and surrender of the said debentures with all interest coupons maturing after May 1st, 1947 attached. Debentures registered as to principal must be accompanied by assignments or transfer powers duly executed in blank.

From and after May 1st, 1947, interest on the debentures so called for redemption will cease and interest coupons maturing subsequent to that date will be void.

DATED AT MONTREAL this twenty-eighth day of February 1947.

CITY OF MONTREAL,

L. ROBERGE
Director of Finance

NOTICE OF REDEMPTION

To the holders of
CITY OF MONTREAL
CATEGORY G DEBENTURES (PAYABLE IN CANADIAN OR AMERICAN CURRENCY OR IN STERLING)
of the
1944 REFUNDING ISSUE—Series "B"

PUBLIC NOTICE IS HEREBY GIVEN that the City of Montreal intends to and will redeem on May 1st, 1947, for purposes of refunding, pursuant to the provisions of By-law No. 1735 of the City the following debentures in Category G (payable in Canadian or American Currency or in Sterling) of the above mentioned issue at the redemption prices calculated in accordance with paragraph 18 of Article 4 of the said By-law, as shown in the following table, together with accrued interest on the face value thereof to the redemption date:

Maturing on 1st November	Bearing interest at the rate of %	Until		% thereafter	Redemption price %	Debentures to be redeemed
1961	4½	1 November	1949	3¾	101.77	All
1969	6	1 May	1954	3¾	113.74	All
1969	5	1 May	1954	3¾	107.63	All
1970	5	1 May	1954	3¾	107.63	All
1971	6	1 May	1955	3¾	115.43	All
1971	6	1 May	1956	3¾	117.05	All

The debentures so called for redemption will become due and payable and will be paid, at the option of the holder, in lawful money of Canada at the principal office of the Bank of Montreal, or of the Banque Canadienne Nationale, or of The Royal Bank of Canada, or of The Provincial Bank of Canada, located in the Cities of Montreal, Toronto, Halifax, Saint John, N.B., Quebec, Winnipeg or Vancouver, Canada, or, in such coin or such currency of the United States of America as at the time of payment is legal tender for public and private debts in the said United States of America, at the Agency of the Bank of Montreal in the Borough of Manhattan, City and State of New York, United States of America; or, in sterling at the principal office of the Bank of Montreal in London, England, at the fixed rate of exchange of $4.86 2/3 Canadian funds to the pound sterling, upon presentation and surrender of the said debentures with all interest coupons maturing after May 1st, 1947 attached. Debentures registered as to principal must be accompanied by assignments or transfer powers duly executed in blank.

From and after May 1st, 1947, interest on the debentures so called for redemption will cease and interest coupons maturing subsequent to that date will be void.

DATED AT MONTREAL this twenty-eighth day of February 1947.

CITY OF MONTREAL

L. ROBERGE
Director of Finance

Dosco Fires With Oil In Sydney Experiment

From Our Own Correspondent

SYDNEY—Facing possible shutdown of its open hearth furnaces as the Maritime coal strike rounds out its third week, Dominion Steel & Coal Corp. is experimenting with oil fuel. One of the 100-ton furnaces has been converted and is burning oil. Official tests start this week, General Manager C. M. Anson disclosed. He emphasized the move is "just a tryout" here though oil and natural gas are standard fuels elsewhere.

DETTA RED LAKE MINES has received payment for 15,000 shares at 50 cents. Issued capital—2,651,005 shares.

RUSH LAKE GOLD MINES has received payment for 100,000 shares at 40 cents. Issued capital—2,300,005 shares.

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U.K. Aims at Facts, Not Controls In Overhaul of Companies Act

An extensive overhaul of the Companies Act is under way in Great Britain, aimed at remedying (1) losses resulting from unsatisfactory prospectuses; (2) concealment of real ownership of share holdings; (3) feeble rights of minority shareholders. (4) insufficiency of financial statements.

One amendment would require 21 days' notice of a company meeting, unless 95% of the shareholders agree to a shorter period. Machinery is also proposed, to enable substantial minority groups to have their views circulated in advance of a meeting.

The legislation is unique in that it is not part of the extensive program of Socialist measures sponsored by the Attlee Government. Overhaul of the Companies' Act began under the wartime coalition and the Labor Government has continued the job on its own since the 1945 elections. Those who have studied the bill report it is virtually unchanged in principle from the earlier revision proposals.

The measure would strengthen the hands of minority groups desiring a count of shareholdings, and would remove the necessity of a proxy holder's being a shareholder himself. Greater rights are proposed for minorities to petition the courts when the action of majorities is considered oppressive.

Require "Fair" Report

A sweeping change in view would require books of account to give a "true and fair" view of the company's affairs, going well beyond the conception that only a "true and correct" picture be given. The bill would support auditors when calling for information and would enlarge their rights at meetings of the company. It also restricts selection of auditors to members of accounting associations or those having "suitable qualifications." Rather than requiring election annually, auditors would continue in office automatically, unless a resolution is made for retirement.

Directors' Privileges

Prerogatives of directors, more marked in Great Britain than in Canada, should be curtailed, in the opinion of a committee which recommended the amendments. One section of the Bill aims at establishing a general rule that directors be elected individually, rather than on a slate. This would also facilitate removal of directors, in spite of any claim to office which they may have either by tradition or by contract.

A compulsory retiring age of 70 is proposed for directors, unless for "exceptional conditions." The bill would also exclude from company management, anyone guilty of fraud or other offences in company matters.

A further proposal would make it virtually impossible for directors to obtain loans from their companies, or to benefit from transactions related to the company's affairs.

To achieve this, the bill proposes a special record of all dealings by directors in the shares of the company and its subsidiaries. All other remuneration and emoluments must also be recorded. The latter includes contributions paid by the company into a pension scheme for the directors' benefit.

Disclose Full Interest

Shareholders of one class may also have an interest in another class of securities of the company or be creditors. This allowed the individual to choose his best course regardless of the effect on others. When compromises and other meetings are intended, the Bill would require full disclosure by financial statements of the likely effect on various classes of interested persons and the various ways in which the directors are interested.

A radical departure would have private companies file the standard returns with the Government including balance sheets and profit and loss statements. Generally, it would only exempt private companies which have no other company included in their list of shareholders.

A minor adjustment would ensure that the full name of the company shall be used in business letters as well as in other notices and advertisements.

The practice followed by "stags" is to be restricted. It is recognized that the success of a new issue is considerably weakened if purely speculative subscribers may withdraw if they feel the list will not close at a premium. The new bill states that applications "shall not be revocable until after the expiration of the third day."

Favor Ontario System

Some comparisons and contrasts with North American practices are seen. The new Act seemingly refrains from authorizing no par value shares. This would conform to the Cohen committee's report which acknowledged the prevalent practice in the United States of issuing no par value shares, but felt that in England "there is little public demand for, and considerable opposition to, the proposal."

The amendments aim at full disclosure of information in prospectuses, rather than supervision of stock transactions, which compares somewhat with the attitude of authorities in Ontario and contrasts somewhat with the Securities Exchange Commission in the United States. Use of extracts from an expert's report would be prohibited without his consent to their use in the form and context employed in the prospectus. A penalty is provided if the expert is similarly unscrupulous in giving this consent.

In some cases, promoters have excused their representations on the ground that they relied on the statement of an expert. This will not be a sufficient ground in the future, unless they can show reasonable cause for believing that the expert was actually a competent person.

The bill would enforce disclosure of real ownership of substantial blocks of shares, by requiring the real holder of a one hundredth part of the capital, or more, to notify the company of such ownership.

Stress Trustees' Duty

Other sections seek to impose a higher degree of duty on those acting as trustees for debenture holders; and to eliminate the use of names suggesting governmental or royal support or names conflicting with those of competitors. The bill avoids an extensive listing of specific cases and simply states that "no company shall be registered by a name which, in the opinion of the Board of Trade is undesirable."

Another section makes it a criminal offence for an undischarged bankrupt to act as receiver or manager of a company, on behalf of debenture holders.

Part of the Bill is devoted to clarification of proceedings on winding up. Generally, greater discretion is given to the courts. Older legislation is brought up to date in two specific instances: the preference in favor of employees as creditors is increased to £100 and the period of back pay allowed, is increased from two months to four months in every case; the period within which preferences to creditors shall be considered fraudulent, is raised from three months to six months.

MARSHALL M. FOSS

board chairman of recently incorporated Storagewall (Canada) Ltd., Toronto.

As few complaints of fraud in company dealings have resulted in successful prosecution, provisions are proposed to throw a higher duty on public prosecutors.

Provided precautions are taken against falsification, the modern practice of loose leaf books is encouraged.

To emphasize the importance of information, an extensive schedule is annexed to the Act, detailing the disclosures required in the balance sheet and profit and loss account. Another schedule details the matters to be stated in an auditor's report.

This latter also must use the phrase "true and fair" when certifying to the account, in place of the older expression "true and correct."

The (London) Economist remarks that the guiding principle of the Bill "is to legislate for maximum publicity" and that "it attempts to make financial democracy work through the provision of more facts, not more controls."

Newfoundland To See Surplus

From Our Own Correspondent

ST. JOHN'S—When the Newfoundland Commission of Government ends its current fiscal year on April 1, the Commissioner of Finance will present the taxpayers with a pleasant surprise—a surplus of between $2 millions and $2.5 millions.

In the estimates for the taxation year 1946-47 the former Commissioner of Finance, Hon. Ira Wild, estimated revenue at $30,750,000. But in the 10-month period to Jan. 31, revenue exceeded the estimate for the full year by $875,000.

Expenditure in the 10-month period is over $5 millions higher than in the corresponding period of the previous year, at $29.5 millions. However, even assuming another $5 millions expenditure in the remaining two months of the fiscal year, a surplus of at least $2 millions can be expected. For the previous fiscal year the national surplus was $4,340,000 dollars; in the last six years, accumulated surplus has climbed to over $28 millions.

Expenditures Going Up

Heavy capital commitments for roads, hospitals and schools will bring still higher government expenditure, possibly $33 millions for next year.

For the first 10 months of the current fiscal year returns for the tax assessor, who is responsible for collection of income taxes, exceed the estimate of last April for the full year. Customs duties, posts and telegraphs revenue and revenues collected by the Department of Natural Resources, likewise exceed the estimates for the full year.

Figures reveal the beginning of an upward swing in direct taxation through income taxes; while year-end reductions in customs duties on a wide range of basic domestic commodities, will lower revenue from this source by at least $2 millions.

Industrial Bank Loans Show Rise in January

MONTREAL (Staff)—An increase of $598,291 in loans and investments over the previous month is indicated by the statement of the Industrial Development Bank as at Jan. 31. Cash on hand and deposits are up slightly, as are miscellaneous assets. Dominion Government securities show a slight decrease. Following are the comparative statements for the months:

	Dec. 31	Jan. 31
Assets	$	$
Cash on hand & dep. with other banks ..	44,753	45,738
Dom. Govt. securities	8,921,289	8,358,731
Loans & investments.	6,439,775	7,038,066
All other assets	155,172	160,116
Total	15,560,989	15,602,651
Liabilities		
Capital paid-up	15,000,000	15,000,000
Reserve fund	439,561	439,561
All other liabs.	121,428	163,090
Total	15,560,989	15,602,651

on sale in June

THE 1st. ISSUE OF THE NEW
French-Canadian
EDITION OF THE READER'S DIGEST

IMPORTANT TO ADVERTISERS. Closing date for all advertising copy is six weeks preceding date of publication. Plates for the July issue, published about June 15, must be received by May 1.

With cordial expressions of welcome from every shade of Quebec opinion, the initial July issue of SELECTION DU READER'S DIGEST will appear on newsstands throughout French Canada about June 15.

All reports indicate that the French Canadian edition will parallel the tremendous success of The Reader's Digest in Latin-American and other countries. The guaranteed net paid average monthly circulation of 100,000 will provide an economical medium of widest influence for advertisers in the French-Canadian market at the low rate of $4.50 per 1000.

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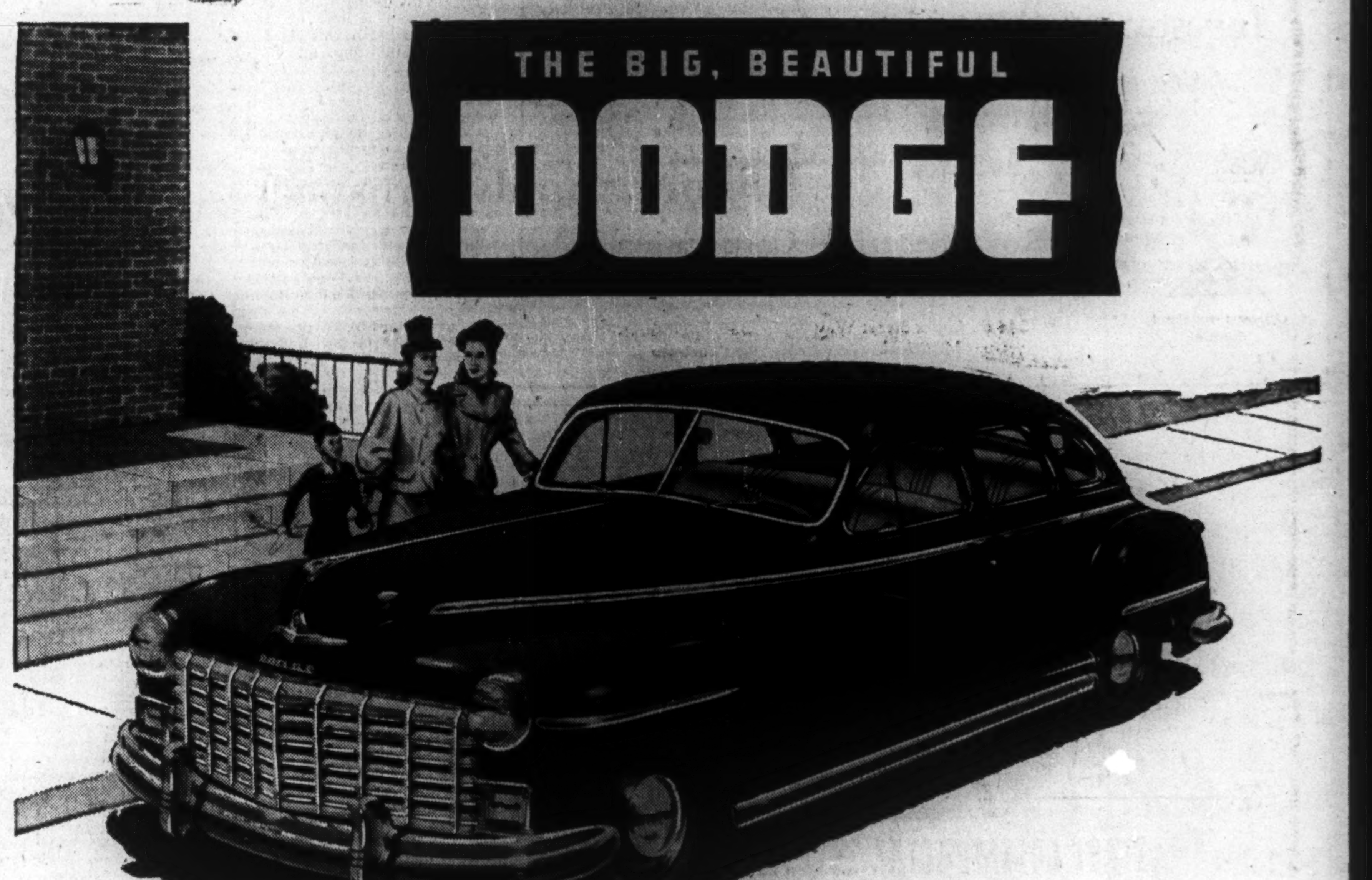

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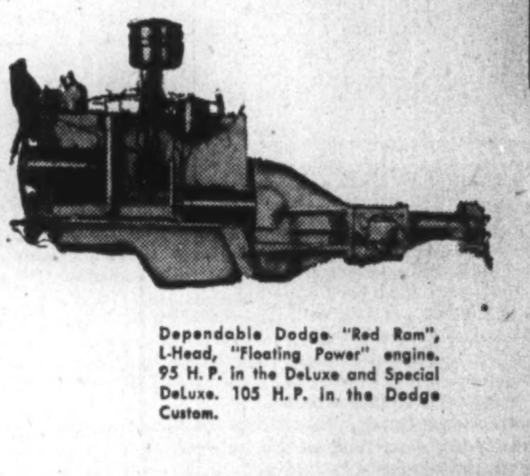

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Industrial Growth in Canada

New Plant Expansion Projects to Increase Production and Employment in Industry

Liquid Air

Canadian Liquid Air, Montreal, announces plan to build new oxygen and acetylene manufacturing plant at Edmonton "as fast as building materials can be secured." CLA Edmonton customers are now supplied from its Calgary plant via Edmonton warehouse. Other CLA western plants are at Winnipeg, Regina, Vancouver, North Vancouver. New Edmonton plant will include a sales store for supplying welding and cutting equipment. Its probable cost is put at $250,000.

• • •

Alberta Oxygen

Alberta Oxygen & Acetylene, newly incorporated, President Frank W. Schmuck, Toronto, buying or leasing existing building at Edmonton; has two carloads of equipment on siding there awaiting conclusion of premises negotiations. Manufacture of oxygen and acetylene may be started in April, with capital outlay about $500,000, according to Mr. Schmuck. Distribution of welding and cutting equipment also is proposed.

• • •

Dom. Oxygen

Dominion Oxygen, Vice-President and General Manager David S. Lloyd, Montreal, recently began production in newly built $300,000 oxygen and acetylene plant at Vancouver, following construction of oxygen filling plant at Winnipeg. Vancouver plant includes oxygen producing unit, acetylene generating and compressing unit, warehouse for carbide apparatus and supplies, repair and training shops. Dominion Oxygen is a unit of Union Carbide & Carbon. Among its Canadian associates are Electro Metallurgical, Canada, Welland; Canadian National Carbon and Carbide & Carbon Chemicals, Toronto.

• • •

B. C. Ice

British Columbia Ice & Cold Storage, President Senator S. S. McKeen, starts building new cold storage and ice-making plant, Burrard Inlet, Vancouver, $625,000 equipped; daily capacity, 20 tons ice, 50 tons quick freezing, 2,000 tons storage. Richard J. Gosse, managing director.

• • •

Brunswick-Balke

Brunswick - Balke - Collender, Canada, President R. F. Bensinger, Chicago, Vice-president and Manager Edward C. Gillett, Toronto, extends dry kiln and wood storage at Toronto plant, will add "modestly" to present payroll of 100. Cost about $40,000; architects Parrott, Tambling & Witmer; contractor Bennett-Pratt; part 2 stories, reinforced concrete and brick. Construction 25% completed. Makes billiard tables, bowling alleys, related furniture and fittings.

• • •

Mennen

Mennen Co., General Manager R. E. Zufelt, Toronto, subsidiary of Mennen Co., Newark, N.J., President G. W. Mennen, expands manufacture of shave cream, after-shave lotion, baby oil, skin cream, talcum and antiseptic powders. Mennen, the Toronto Industrial Commission announces, soon will get possession of upper floors of West Toronto building bought and partly occupied last fall, will install additional mills, mixers, steam kettles and a tube-filling machine—capacity 48 tubes a minute. Present working force of 14 may be doubled. Until November, Mennen lines had been made in Canada by a contracting manufacturer.

• • •

Bowes

Bowes Co., President and Managing Director Aubrey W. Baillie, Toronto, consolidates factory and warehouse premises; adds substantially to capacity in bakers', confectioners' and soda fountain bulk food supplies. Bowes, according to Toronto Industrial Commission, buys Orange Crush Carlaw Ave. plant and will occupy and extend it when Orange Crush completes, about year-end, its own new plant now under construction (Industrial Growth Oct. 19). To the 83,000 sq. ft. building of timber and brick "mill" type construction, Bowes will add at rear 8,000 sq. ft., reinforced concrete and brick.

• • •

Perfect Toy

Perfect Toy Manufacturing, new firm, begins operations in West Toronto building recently purchased. Mass - production methods will be used to fashion lifelike dolls from molded composition covered with special plastic coating, Toronto Industrial Commission announces. Employees will number 25 to 40 later this year.

• • •

Sausage, Sox, Soap

Here are seven other small new industries or plant expansions announced by Toronto Industrial Commission:

Nivea Pharmaceuticals, recently established branch of Herts Pharmaceuticals, Welwyn Garden City, Eng., in leased premises, making face creams, skin lotions, packaging soap products, handling British-made adhesive plasters etc. A. E. Smith is general manager.

House of Graham, affiliated with, and exclusive Canadian distributor for Raymond Laboratories, St. Paul, Minn., buys 12,000 sq. ft. West Toronto building, begins with 15 workers making beauty parlor supplies including face and skin creams.

J. Caldwell, sausage maker, completes small plant, begins production.

Canadian Name Plate & Manufacturing, and affiliated Moss Instruments complete plant addition; will add 25 workers to make school instrument sets, name plates, curtain tracks.

Kinsel & Wright Ltd., new maker of men's wool hose, completes small new plant in suburban East York Tp. With completion of installation of machinery will increase working force from 15 to 25, turn out 250 dozen pairs a day.

Perfect Circle Co., subsidiary of Hagerstown, Ind., firm of same name, completes plant addition in suburban Leaside to expand output of piston rings.

Wonderbilt Products, metal toys, gets 40% increase in production facilities in move from West Toronto to leased space downtown.

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Short Supply Prospect Is Seen for Wood Pulp

U. S. Analysis States Inventories Expected to Decrease in 1947 – Boxcar Shortages Accentuate Tight Situation

MONTREAL (Staff) — Though most pulp and paper observers are agreed that newsprint will remain in short supply well into 1947, perhaps beyond, there is less agreement over the outlook for woodpulp.

Canadian pulp and paper mills with 6½ million tons of rated woodpulp capacity, of which 1.7 million tons are distributed in the open market, have a large dollars and cents interest in the answer to this question.

Only recently some observers have been explaining the tendency of pulp and paper stocks to sell on a relatively low times-earnings basis on the grounds that the inventory position in woodpulp was showing signs of becoming heavy.

Obviously Canadian investors in such pulp and paper mills as Abitibi, Bathurst, British Columbia Pulp, Consolidated, Dryden, Frasers, International Paper and the St. Lawrence group among others would be vitally affected if a condition of oversupply in woodpulp were actually developing.

Supplies Not Held Excessive

An analysis of the woodpulp demand-supply position does not bear out the view that woodpulp supplies are presently excessive. The U.S. Department of Commerce Pulp and Paper Unit recently prepared a study which pointed out that inventories of woodpulp in 1947 would decrease, not increase, from present levels. Canadian pulp and paper officials say that woodpulp is still in short supply.

Actually total inventories of woodpulp in the United States at the end of December were only equal to 15 days' supply, an increase of but ½ days' supply over the end of November, 1946, level. This is not the type of production or inventory increase which spells industry overexpansion. Actually, over-all woodpulp inventories would become excessive only if consumption were to decline sharply or supplies to increase sharply.

At present there appears to be no indication that either of these is developing. Market for woodpulp supplies remains tight in both Canada and the United States. In the latter country some non-integrated mills have been forced to close down for lack of woodpulp. Current shortages of railroad boxcars in both countries will only serve to accentuate this position. In 1946 an estimated 1.2 million tons of Canadian woodpulp was consumed by U. S. mills to gross the Canadian industry some $100 millions.

Expect 100,000-ton Shortfall

In reviewing the outlook for woodpulp for the balance of this year the Commerce Department in an exhaustive study came to this conclusion: that stocks of woodpulp in the hands of all U. S. pulp, paper and paperboard mills would be 100,000 tons lower at the end of 1947 than they were at the end of 1946.

Basis for this was the conclusion that 1947 U. S. woodpulp consumption would exceed 1946 levels by 865,000 tons; that increased home production and increased imports would only add 765,000 tons additional. The 100,000-ton shortfall between 1946 requirements and supplies would have to come out of inventories. These totalled 489,543 tons at the end of 1946, equal to one half month's supply at December, 1946, consumption rates.

Here is the boxscore on consumption and inventories of woodpulp in the hands of U. S. users at the end of 1946. Key to whether inventories are high or low is the consumption/inventory equation, represented by days' supply. For comparison, the month of November is shown, as is woodpulp by various grades.

BOX SCORE ON U. S. WOODPULP INVENTORIES
(Tons)

	Stocks		Consumption		Days Supply	
	End Dec.	End Nov.	Dec.	Nov.	End Dec.	End Nov.
Bleached sulphite	106,613	103,145	135,280	139,051	24½	22
Unbleached sulphite	125,390	134,013	118,824	126,470	33	32
Bleached and semi-bleached sulphate	40,414	39,761	87,719	90,226	14	13
Unbleached sulphate	135,709	153,066	340,169	367,255	12	12½
Soda	16,416	15,603	37,908	41,934	13	11
Groundwood	55,627	51,189	162,321	171,893	11	9
Misc. grades	9,374	10,268	109,261	114,182	3	3
Totals	489,543	507,045	991,842	1,051,011	15	14½

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Newfoundland Newsletter

New Data Reveals Better Prospects For Island's Forestry Resources

ST. JOHN'S, NFLD. — When the National Convention's forestry committee presented its report to the assembly last October, information on timber reserves in Labrador which the delegate body considered essential to its findings was lacking. At that time Committee Chairman Major Peter Cashin, delegate for St. John's West, promised to present a supplementary report with the required data. In addition answers were to be sought to a large number of delegates' questions. This supplementary report has now been presented to the Convention.

Major Cashin revealed the committee had been deluged with requests from various persons and groups that certain timber areas on the Island now held by private corporations, either under lease or fee simple title, should revert to the Crown. Such areas contain the last remaining sources of timber available to the people generally for use as fuel or manufactured lumber for local consumption.

The Forestry Committee expressed the opinion that the Commission of Government should re-negotiate certain timber concessions with the large pulp and paper companies for an exchange of properties by mutual agreement. The first of such exchanges has just been negotiated with the Bowaters Company of Corner Brook, affecting five properties in the Humber region necessary for agricultural development.

The Report reveals that total workers' earnings from the forest industries today is in the vicinity of $25 millions annually (in the original report a figure of $16 millions had been given). The increase comprised $4 millions attributed to the expansion programs of the two large paper companies, the Bowaters Co. and the Anglo-Newfoundland Development Co. of Grand Falls, and $5 millions from production of pulp and paper from reserves in Labrador.

The supplementary report embodied the results of a timber survey of Labrador completed by the Bowaters Company in 1937. This information was not available to the Forestry Committee last fall when it prepared its original report.

On the basis of data contained in the Bowaters survey of the Hamilton Inlet regions of Labrador, the Committee learned that there are about 20 million cords of timber available suitable for pulp production. The survey suggested that a new sulphite mill on Bay D'Espoir, on the South Coast of the Island, was economically justified, to be supplied partly by timber from the Hamilton Inlet reserves of continental Labrador.

• • •

Lack of Data Handicaps Small Industries Committee

The report of the local industries committee was less informative.

Out of 140 firms to whom the Committee sent copies of a prepared questionnaire only 35 (most of them in St. John's) completed them. Consequently the committee was handicapped in its review of local industries.

Charles Bailey, delegate for Trinity South, summed up the feelings of many delegates when he observed that the committee members should have been sworn under the Official Secrets Act, and then given the powers of Royal Commissioners to seek and obtain all the information they required. "Under the present terms of reference," he remarked, "it seems to me that the Convention was never intended to get the full facts."

Regarding protective tariffs and their relation to small manufacturing concerns, the report summarized the position thus:

"We are not satisfied that the high customs tariff under which certain local industries operate, with profits going outside Newfoundland, are in the best interests of the country as a whole."

Dealing with the effects of customs duties on local industries, the report discloses that in a number of cases the duty on imported articles had been reduced since establishment of local industries manufacturing the same commodities.

• • •

See Island Following Trade Trends Abroad

The Report summarized the present position of local industries in Newfoundland on a note of optimism and commendation, indicating that the Island is moving with trends abroad:

"Local manufacturers in recent years have become more keenly aware of the trend of industry in neighboring countries and are now lining up their own policies to bring them into the best producing position from the point of view of quality and economy, as has been the trend of our neighbors in Canada and the United States during the past decade."

The Report further outlined prolonged efforts over a period of years undertaken by the Newfoundland Industrial Development Board to determine what possibilities exist for establishing new industries in the Island. They found the outlook optimistic in a restricted field of manufacturing enterprise.

Generally speaking, the Local Industries Report was the least satisfactory of the five reports presented to date, largely through causes beyond the control of the Committee itself.

Canada's Export Credits Boon to Czechoslovakia

$19 Millions Used to Date for Dominion's Wheat and Raw Materials Aid Nation's Trade Recovery — Czech Glass Aids Building Here

MONTREAL (Staff)—So far Canadian credits to Czechoslovakia have totalled $19 millions. About half that amount will come back in payment for wheat and the other half for base metals such as nickel, lead, asbestos, and some machines.

While this fact alone is probably not too significant along with other current developments, it marks a new trend in Canada-Czechoslovakia trade. One event was the recent arrival in Ottawa of Dr. Karel Bala, commercial attache. Last year also Czechoslovakia supplied some $800,000 worth of window glass for hard-pressed Canadian builders. Canada in turn sold that country about $2 millions worth of Alberta-refined sugar.

What all this adds up to is that Canada and Czechoslovakia, for what is probably the first time in history, engaged in direct trade of sizeable proportions in 1946. Prior to the war, products from both countries were traded through middlemen either in United Kingdom or Germany. Canadian manufacturers were a little better off in this exchange since in most cases the "Made in Canada" mark went on Canadian goods. Czechoslovakians here claim that many of their products such as costume jewellery, pottery, porcelain, etc., bore the "made in Germany" label.

Coal Production Expands

Apart from direct trade connections, however, Canada's export credits to Czechoslovakia look like good business for another reason too. This country has made a rapid postwar recovery. According to Dr. Josef Kotrly (pronounced Kotrolee), consul general in Canada, soft coal production in the country is rapidly approaching pre-war levels, and this year is expected to exceed 1937 production.

Largest Czechoslovakian coal fields lie in those areas formerly occupied by Sudeten Germans. Most of the Germans living there were forced to move into Germany. Czechoslovakians point out these were the persons who had voted to live under the Hitler regime prior to the war; also had voted to adopt German citizenship. Some 200,000 other Germans who remained loyal to the country still remain, however, it is stated. A certain number of Germans were tried before courts of law and sentenced for war crimes.

To Czechoslovakians like Dr. Kotrly and his relatives who spent the war under Gestapo surveillance, in or in the shadow of the concentration camp, or were taken off their farms for forced labor in factories, Nazi Germans received nothing but justice at the hands of the Government after the war. (Dr. Kotrly was recently honored by his Government for his work on behalf of the United Nations cause during the war.)

Unsettled conditions in the so-called "Sudetenland" of Czechoslovakia was only one problem. Far more serious from a trade standpoint was and is the shortage of rolling stock. Bulk of Czechoslovakian rolling stock was requisitioned by Germany for troop transport and has never been returned. Further impediment to Czechoslovakian trade is the necessity of routing shipments through Bremen, Rotterdam or Antwerp rather than Hamburg or Trieste. Hamburg's port is still not able to handle such shipments and Trieste's political atmosphere is unsettled.

Need Raw Materials

It was not expected that Czechoslovakian trade would return to pre-war levels in one year but according to Dr. Kotrly's figures the country has made a good start. Total exports for 1946 are about 14 billion, 300 million Czechoslovakian crowns (50 crowns to $1 U.S.) or $286 millions, exclusive of goods sold to UNRRA. Imports exclusive of UNRRA were $204 millions. If UNRRA goods are included exports would exceed imports by a considerable margin, it is stated.

Ordinarily this would represent a favorable balance of trade but Czechoslovakia's big problem at present is a shortage of raw materials rather than foreign exchange. A large percentage of exports goes to other European countries which cannot supply the necessary raw materials. Also the credit balances thus created are largely in currencies which are unstable. This does little to help the country's U.S. dollar position. Briefly Czechoslovakia's trade problem resolves itself into finding trading partners which will replace pre-war Germany. Until European countries get back into something like normal production, Czechoslovakia has to look to Canada, United States, United Kingdom and others for much of her raw material. To finance such purchases requires (a) direct loans (b) export credits similar to those provided by Canada (c) exports, or a combination of all three.

Look Ahead Two Years

To get herself out of the red Czechoslovakia has mapped out a two-year plan for 1947-48 to boost production up to 110% of the 1937 level. It is stated that in January production was estimated to have reached 98% of this target. In the meantime few consumers' goods are allowed into the country and production is allocated between domestic and foreign customers. Czechoslovakia, however, as mentioned above, is importing quantities of raw materials, particularly base metals. Since the war Canada and United States have also had to supply a larger percentage of the country's wheat requirements than in pre-war years. On the export side Czechoslovakia is again entering the market with her traditional products such as window glass, cut glass, tiles, ceramics, pottery, porcelain, costume jewellery, shoes, coke, sugar and machinery. Textile production is being held up due to shortage of raw materials.

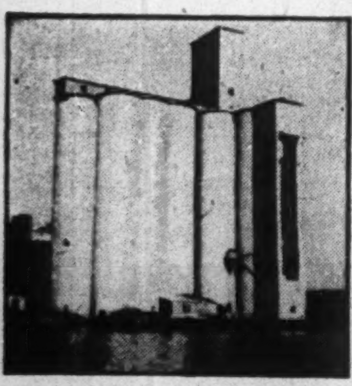
In the present coalition Government, 35 to 38% of the seats in Parliament are held by communists. Under their influence, some fear is felt that communist state trading may shut those doors opened by Canada in 1946 to obtain an important new customer for her raw materials.

B. C. Ice & Cold Storage Builds $625,000 Plant

From Our Own Correspondent

VANCOUVER—British Columbia Ice & Cold Storage Ltd., President Senator S. S. McKeen, last week began building a new cold-storage and ice-making plant on Burrard Inlet here. The plant, estimated at $625,000 with equipment, will ease the hot weather ice shortage which has plagued skippers of fish-packing boats. Estimated daily capacity is 20 tons ice, 50 tons quick freezing, 2,000 tons storage.

Richard J. Grosse is managing director. Others on the board are Brig. William Murphy, secretary, R. O. Campney, H. V. Morehouse, Harold D. Haywood, Matthew Sutton, Clarence Wallace. The company is privately financed.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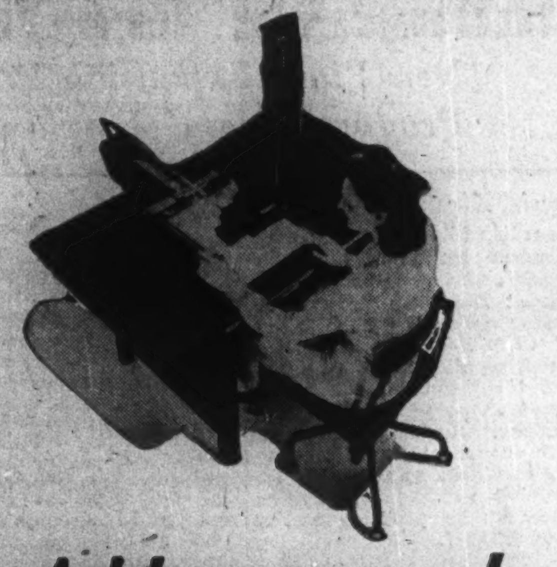
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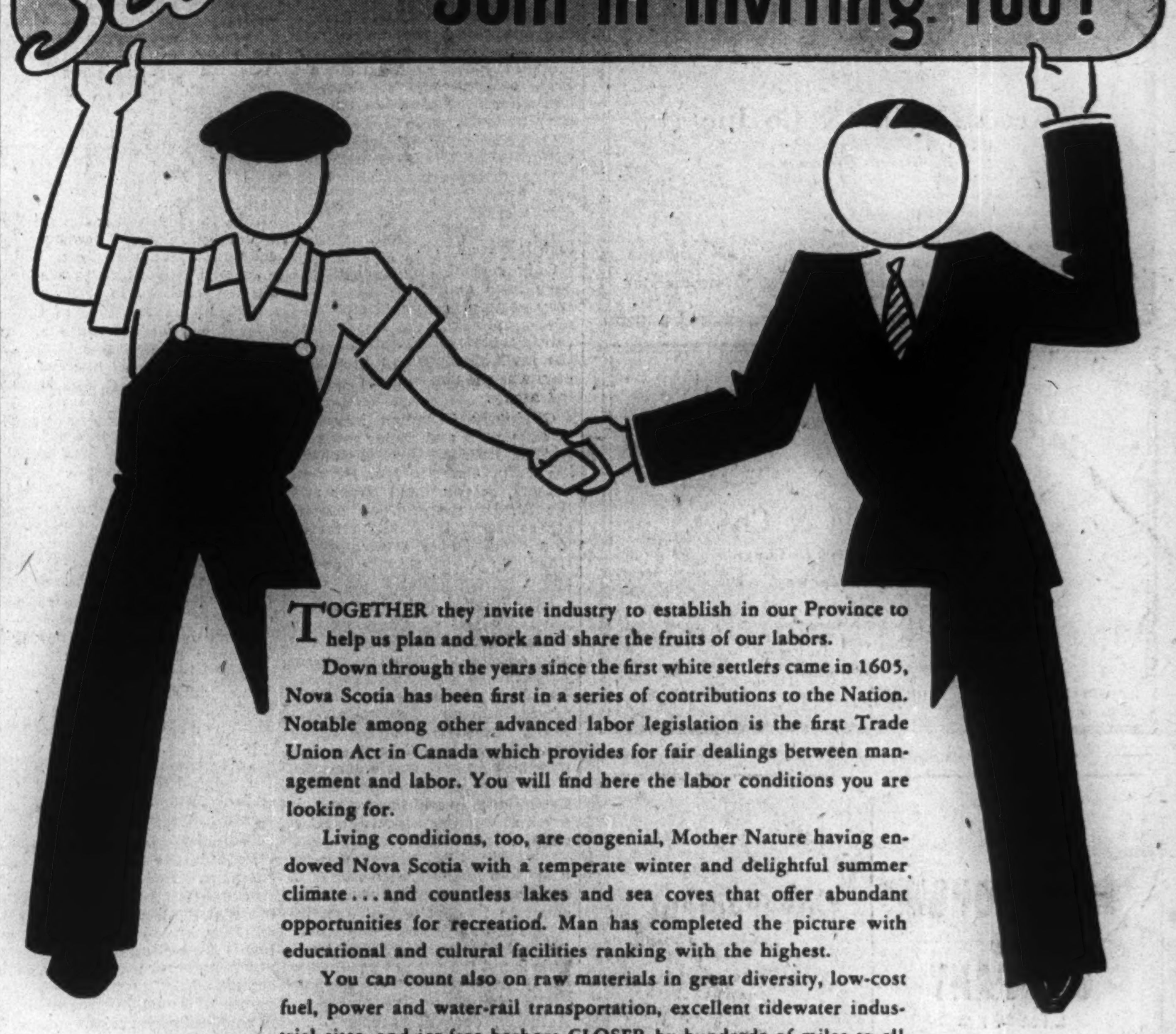

TOGETHER they invite industry to establish in our Province to help us plan and work and share the fruits of our labors.

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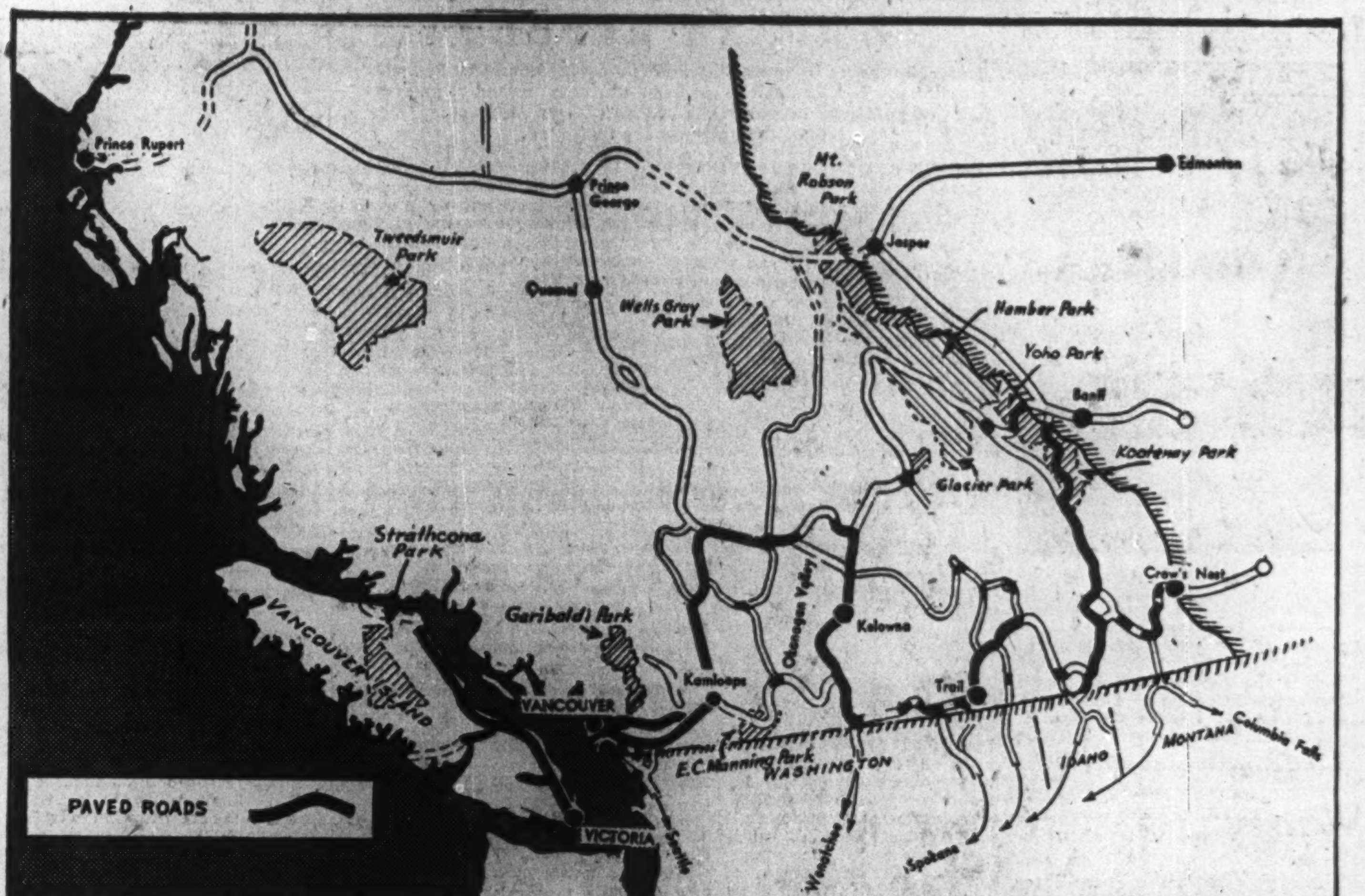
NOVA SCOTIA — NEAREST TO WORLD MARKETS

DEPARTMENT OF INDUSTRY AND PUBLICITY
Province House, Halifax, N.S.

The Financial Post

Vol. XLI | Publication Office: Toronto, March 8, 1947 | No. 10



Highway map above points up one of British Columbia's major economic problems (see pages 25-40). Nearly 75% of B. C.'s population live within a radius of 80 miles of Vancouver, but the bulk of her natural wealth is in the interior. Mountains make the job of road building hard and expensive. B. C. now has three main highway routes crossing the province from east to west. Now she must build connecting roads north and south to open up the undeveloped areas in the north.

Storage Space, Wall, Furniture All in One New Prefab Package

"Storagewall" in Production at Oshawa And Scheduled For Early Distribution

By CLIVE CHATTOE

It's a partition wall. A wall plus closets for storage, plus built-in living and bedroom furniture such as radio and record player, desk, book and magazine shelves, cellarette and "catch-all" cupboard, highboy, dresser and vanity.

It's a functional furniture wall, a new and potentially important aid to planning of better houses and stores.

For hundreds of years the wall, the storage and the furniture have been distinct and separate assembly operations, each requiring days in lumber yards, woodworking shops and by carpenters and plasterers on the job. In 1947 for the first time they can be installed as one, and in a matter of hours.

First in production among American-designed structural assemblies of directly competitive pattern, "Storagewall" will be followed by Defoe Shipbuilding's "Working Wall" and by Morgan Furniture's "Morganwall." It's being made by Storagewall Inc., New York, in a leased plant at Springfield, Mass., by Storagewall (Indiana) at Indianapolis, and by a Canada and Empire licensee, Storagewall (Canada) under manufacturing subcontract at Oshawa, Ont.

This is the lusty industrial infant we were reading about not so long ago in Life, Fortune and Architectural Forum magazines. Now it's hollering for bigger britches with start of production for wide distribution, mainly through department stores, between Sydney and Seattle, Hudson's Bay and the Gulf.

First for Simpsons

Both countries will see Storagewall first in department stores . . . and Canadians probably before Americans.

Simpsons Ltd., operating big retail stores and mail order outlets either directly or through subsidiaries in Toronto, Montreal, London, Ont., Halifax and Regina, has in recent days signed up with Storagewall (Canada) for sales and installation in the Toronto region. Terms of the deal haven't been made known.

On or about March 20 Simpsons will unveil the new hardwood plywood "furniture walls" at its biggest store, in downtown Toronto. There, in street windows and on furniture floor, architects, builders and the public will be invited to inspect a variety of typical storagewall assemblies. Two months earlier only pictures were available for the Ontario Association of Architects exhibition of new materials and equipment.

Store officials emphasize they're not showing the line meanwhile, nor taking orders for it yet; and that they won't be for two weeks. Evidently they anticipate wide interest and substantial custom and want time to prepare for both.

"We consider this an important development — versatile, flexible and easy to move later. We'll install and finish Storagewall in Toronto district, and for some distance beyond, up to our ability to supply and provided premises to be served are acceptable to our inspectors."

It is chiefly with department stores that U. S. Storagewall is arranging for distribution there and department stores apparently will continue in front here as additional Canadian distributors are named. Department stores, particularly in New York, not long ago began to show and in some cases to sell complete prefabricated houses. Now, their espousal of furniture walls, newest thing in the prefab field, suggests that more of them may "get into the building business" one way or another, and in more ways.

The factory turns plywood, lumber and hardware into knockdown panels called "parts." So far there are 140 basic patterns for these parts but the number may be tripled as design is diversified, production expands and the lower-price market is invaded. With the panels the factory cuts steel into flat strips, called "splines," these later to be inserted in locking the parts together.

Parts and splines in most cases are shipped flat, reaching the distributor-fabricator in the form of tops, bottoms, sides and backs, pieces for doors, drawers, base foundation, finish wall and trim. In the distributor's shop they're linked by the splines into box-like subassemblies called "units." Then the units go to the customer's house, apartment, dormitory or store, there to be screwed together solidly as one unit and firmly put in place in the room.

But Storagewall, once installed, may make yet another move. When changing needs dictate, a few hours' work is said enough to shift the whole wall or change relationship of its units and thus to rearrange room space and appointments.

Birch plywood now is being used exclusively. Storagewall later may move into higher plywoods and, it's hoped, also into lower-cost finishes, such as pressed wood fibre hardboards.

First Canadian manufacturer in the Storagewall orbit is Robert Brown's Oshawa Box & Lumber. His 25,000 sq. ft. plant recently got additional machinery to enable an expected sharp rise in output this month and attainment of 50% of capacity by April 1. What that may mean in round numbers of parts per day or month isn't clear yet.

Main supply sources—and plywood is still pretty well on the ration list—are U. S. Plywood and Canadian International Paper's new International plywood plant at Gatineau, Que., which began rolling five months ago (The Financial Post, Nov. 23).

Not Cheap Yet

Canadian Storagewall's retail price installed may average close to $4 a cu. ft., it's estimated. That would mean roughly $600 to $700 for a typical living room partition wall of full height containing radio and record player cabinets, desk, book and magazine shelves, cellarette, etc. (as illustrated).

Mechanical equipment is extra, the buyer getting his actual radio and phonograph works separately and at additional cost. Officials of Storagewall say this accords with "the trend to separate purchase of radio receiver sets offering higher performance than the average standard in-cabinet set."

Immediate aim is to capture and consolidate a dominant position in the $8,000 to $16,000 house market. But Storagewall's top men also hope new and cheaper versions can be developed fairly quickly for the low-cost home.

At the price level mentioned, how does the 1947 Storagewall compare in cost with these essentials when bought and installed separately?

One architect tells The Post that in some cases "the prefabricated wall might be cheaper, if you take into account the space and work saved, the added convenience and cleanliness, all of which have tangible value."

What, then, is the size of the potential market for this new kind of functional interior wall-furniture combination?

Some architects and builders think such assemblies will take quick hold for medium to higher cost houses, dormitories and stores. Rising demand and mass production, they add, might shave costs and put prices within reach of leaner purses and that could mean invasion of the vast and virtually untapped market for low-cost housing and equipment.

Several say cost of the new assembly even now may prove "roughly comparable or even a tick cheaper than" separate costs of closeted space plus free-position furniture plus waste space.

Speaking of dormitories. Will the new wall get a welcome at some of the 13 Canadian and many more U. S. universities now feverishly building or planning to accommodate vet-swelled enrolment? Could be. When Storagewall (Indiana) moved its first full set of walls into a model home at last month's Indiana Home Show, one order at a cool $82,000 was rushed in by University of Indiana for seven new dormitory buildings at Bloomington.

Not Offering Stock

Storagewall (Canada) Ltd., Toronto, has a November, 1946, Dominion charter and $110,000 capital in 900 n.p.v. common shares booked at $100 each plus 400 preferred at $50, the common held about equally by President George Clarke, Board Chairman Marshall Foss, and Vice-president, Treasurer Robbert Hartog. "No public stock issue is planned." Storagewall (Canada) holds license from Storagewall Inc., New York, for manufacture and distribution in Canada and Empire countries.

In the two-year-old U. S. company at New York, reorganization last September brought Clarke to the presidency (there is no board chairman), Hartog to treasurer, James Hansen, New York engineer, to managing vice-president, and Jack Warner, Jr., to a directorship. It was Hansen, incidentally, who, with Architectural Forum's Managing Editor Henry Wright, first dreamed up Storagewall in 1938 for Hansen's Connecticut house. The detailed system finally was evolved years later by Wright and co-author Architect Nelson of "Tomorrow's Home."

Applications for design patents and for registration of name are before authorities at Ottawa and Washington. Not comparable, it is claimed, are new linkable "modular" furniture pieces, nor built-in custom furniture, nor prefabricated kitchen cabinets and store fixtures.

Advertising and promotion costs will be borne largely by distributors, The Post understands.

Average age of the three running the Canadian Storagewall is 34. Two are Canadians, one is Dutch; all three are officer veterans of World War II. Here they are:

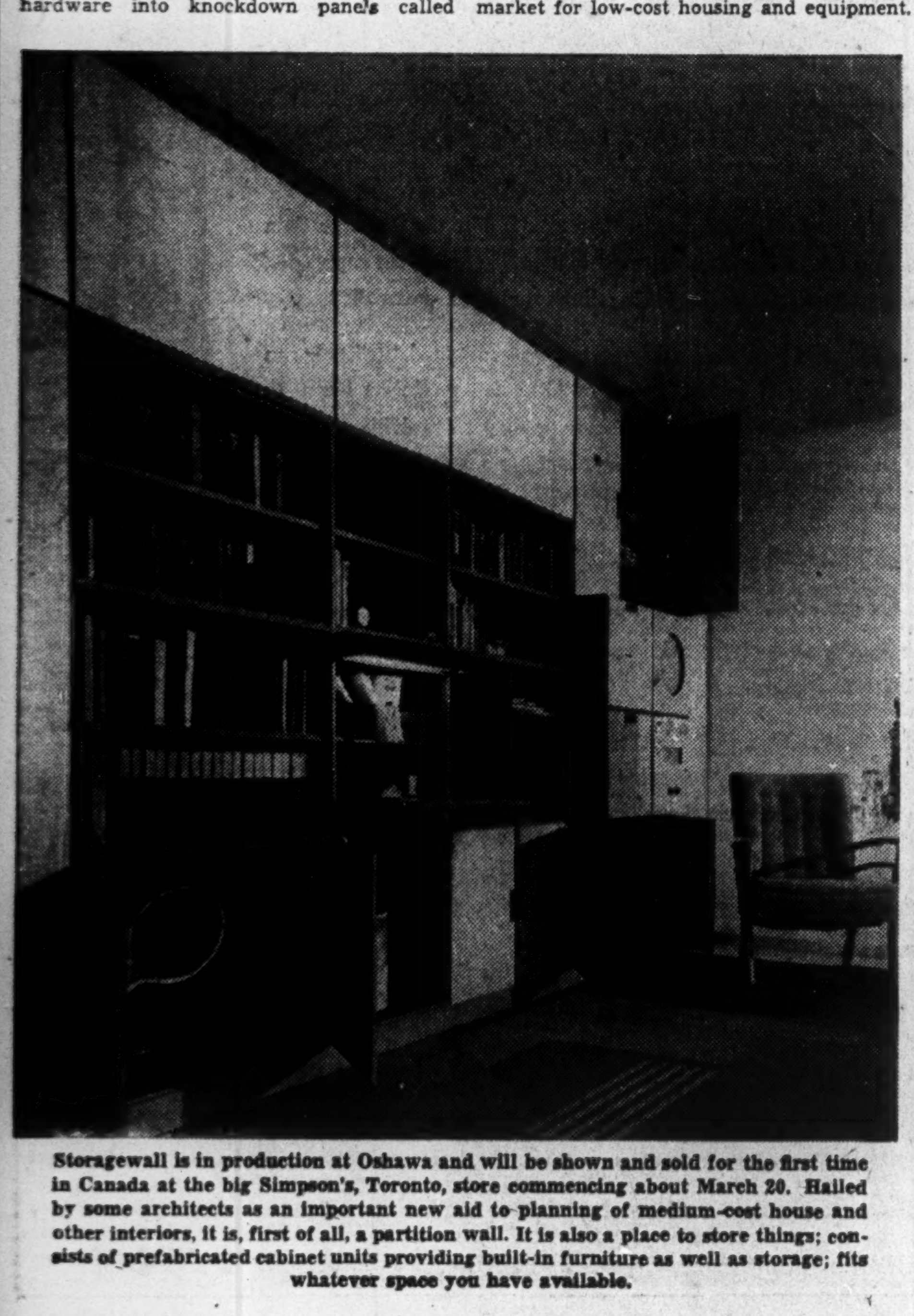
Foss—Storagewall's Montreal-born Board Chairman Marshall Maclagen Foss, 42, is Montreal advertising executive turned Toronto land developer-builder. After 5½ years as RCAF Wing Commander in Canada and overseas, he launched Thorncrest Village, a rapidly building "planned neighborhood" community of 100 acres near Toronto's suburban Islington (The Financial Post, June 23, 1945). With Storagewall he broadens his avenue of contribution to technical advance in an industry which by its own admission badly needs "new blood and ideas."

Clarke — Quebec City-born President George Dunn Clarke, 33, is president also of the U. S. affiliate, Storagewall Inc., New York. Son of Col. Frank W. Clarke, Canadian shipping and paper industrialist who is perhaps as widely known as host to Winston Churchill at Quebec and Miami Beach, he is nephew of three other Quebec Clarkes, namely, Presiden Desmond A. of Clarke Steamship, Montreal; Vice-president Walter J. of Anglo-Canadian Pulp & Paper, Quebec City; and Wilfred G. of Clarke Trading, Montreal.

Young Clarke went from Bishop's College School to four years as laborer in the Anglo-Canadian mill at Quebec, then had charge of that firm's U. S. Midwest sales, traffic and service. Like Foss, an RCAF Wingco, he instructed RAF pilots in California, then commanded a base there testing and delivering aircraft for Allied forces. Visiting New York and the big Gimbel store on demobilization, he saw the Reynolds Chicago ballpoint pen, then making news; promptly organized Reynolds International Pen (Canada) at Oshawa, Ont., as president. Clarke left Reynolds last year and organized Storagewall (Canada).

Hartog—Netherlands-born Vice-president and Treasurer Robbert Hartog, 27, who is treasurer of Storagewall Inc., New York, also is president of Kitchen Installations Ltd., Toronto (formerly Aga Heat Canada) and Roder Properties Ltd. (The Financial Post, Feb. 15). Native of Nijmegen—near Arnheim of airborne attack fame—he is son of Arthur Hartog, vice-chairman of Lever Bros. & Unilever NV, Rotterdam, and director of Lever Bros. & Unilever Ltd., London.

When German occupation in 1941 brought Hartog, Sr.'s, office temporarily to Canada and to Lever Bros., Toronto, young Hartog came along, enrolled at University of Toronto as a graduate of France's School of Political Science, Paris, graduated a year later with an M.A. degree in economics. After repeated military rejection, he joined the Netherlands Army at Guelph, Ont., in July, 1943, as private, went overseas after 36 hours in barracks, served with Economic Intelligence at London, wound up with Military Administration for reoccupation and was demobbed in February, 1946, at Montreal with captain's rank.



Storagewall is in production at Oshawa and will be shown and sold for the first time in Canada at the big Simpson's, Toronto, store commencing about March 20. Hailed by some architects as an important new aid to planning of medium-cost house and other interiors, it is, first of all, a partition wall. It is also a place to store things; consists of prefabricated cabinet units providing built-in furniture as well as storage; fits whatever space you have available.

From Ottawa He Manages Factories in 8 Countries

By KENNETH R. WILSON

About a mile along from Parliament, on Ottawa's famed Wellington Street, there is an inconspicuous frontage where you'll find the name "Ferro Enamels (Canada) Ltd." Walk up a couple of flights of stairs and you stumble into one of the most unusual "export" industries in Canada.

The boss of this industry is a short, stocky Scotsman named "Smoot" Mavor. His real name and title is Brigadier Wilfrid Mavor, C.B.E., M.C. Few people call him anything but "Smoot." He is a son of the late and world-famous James Mavor, professor of economics at the University of Toronto from 1896 to 1923. It was Professor Mavor who wrote a classic "Economic History of Russia" and spent many years in that country in company of his great friend Tolstoi. The Mavor family moved to Canada about fifty years ago when "Smoot" was aged four.

It is only occasionally you'll find Smoot Mavor at home in his office on Wellington Street. A good part of the time he is off to the four corners of the world—having a look at one or other of the eight or nine plants for which he is responsible. Together, these plants in 1947 will produce pretty close to 50 million pounds of ferro-enamels. That's a lot of product when you know that the output of the parent company in Cleveland (rated one of the most important in the business) is only about 60 million pounds. Of the 50-million total, about 15 million pounds will come from the British plant (in charge of a Canadian); 10 million pounds from Holland; eight million from Canada. The balance is distributed pretty evenly among Canadian-managed plants in Argentina, Australia, Brazil, France, Holland, South Africa and Mexico.

The Gleam on Bathtubs

Without going into technicalities, the ferro-enamel business is the one which makes it possible for you to have a glistening, durable porcelain-enamel finish on your stove, refrigerator, pans or bath tub. The modern and industrial application of this "marriage" between the metal and the ceramics industry originated many years ago in Germany. It was brought to this continent and greatly improved by research and by development on a mass production basis.

There are two different ways in which the industry developed. Either manufacturers of sheet metals products make their own "frit," as it is called; or they buy their raw material ("frit") from a firm which specializes in its manufacture. Such firms (as in the case of Ferro-Enamels) offer, as well, the benefit of centralized research and, if necessary, the equipment needed by the manufacturer to apply these special porcelain enamel finishes to their product.

It is the latter business which is carried on by "Smoot" Mavor at 629 Wellington St., Ottawa.

How Mavor got into it is a story in itself. Mavor had been at school in England, Belgium and Canada. He finished off at Ridley and RMC; then went overseas in the First Great War as a lieutenant in the 48th Highlanders of Toronto. On his return from the war he started in the mechanical engineering course at U of T's SPS; spent a year with a construction firm in Buenos Aires. Back in Canada, his friend Merrill Dennison had been left a small country hotel at Bon Echo, just north of Tweed. Mavor went in to help run the place—everything from bus operator to garbage collector and dance partner. It was there that he met R. A. Weaver of Cleveland.

How It Started

These two struck up a friendship and Weaver offered Mavor a job in Cleveland on the mutual arrangement that if it didn't work out in six months they would part company. Weaver was president of the Ferro-Enamel Corporation of Cleveland.

Mavor went to work for a subsidiary (Ferro-Enamel Supply Co.) which was interested particularly in the distribution end of the business. He became sales manager for the eastern part of the United States and it wasn't long before Weaver suggested that Mavor go back to Canada and form his own company. Between Mavor and a Toronto friend (Craufurd Martin) they raised $12,000 and started to work. This was in 1927. For the next two years they imported their enamels from the U. S. parent company. In 1929 they started manufacturing in the modest establishment on Wellington Street in Ottawa.

A few years later Mavor was off starting new plants and companies in England, South Africa, Australia and Europe. By 1935, in addition to running his own company, he was made vice-president in charge of all foreign activities for the Cleveland enterprise. In 1937 control of the Canadian company was sold to Weaver; Mavor was put in charge of all company plants outside the United States. Now he administers through Ottawa an organization which sells "know-how" and North American techniques to eight countries in the world. It also "exports" Canadians to look after individual operations. Canadians manage Ferro-Enamel plants in Britain and Australia, and there are several keymen at South Africa and other parts of the chain.

Very soon the Canadian subsidiary will be operating its own new $375,000 plant at Oakville, Ont. This is quite a step from the $5,000 outlay needed to buy the present property in Ottawa 20 years ago. It is in line with a company expansion that is under way from Ottawa and Cleveland now that "Smoot" is out of the Army once more. (During World War II he was stationed first at Borden as chief tank instructor; then to Washington to co-operate with the British on the design of tanks. When V-J Day came he was demobilized with the rank of Brigadier and from the key post of deputy Master-General of Ordnance.) This year, at the Canadian plant he expects to turn out eight million pounds of "frit," plus 40 million pounds in his other world-girdling properties. When he started business in 1927 he bought 700,000 pounds from Cleveland as a year's supplies.

For the future, the company principle of "local manufacture" will probably find Ferro-Enamels in many other lands — each one using local materials and personnel, but under central "technical" management — a unique formula which Mavor thinks other firms in Canada (whether or not they have parent connections in U. S.) will find it increasingly profitable to adopt in the future.

How to Keep Out of Trouble—XIII

Who's Going to Inherit Your Estate? Relationship Affects Death Duties

By DONALD G. MacLEAN

No matter where you live in Canada your estate will be liable for Dominion and possibly provincial succession duties when you die.

As this is being written some provinces have agreed definitely or tentatively to discontinue succession duties, leaving the field to the Dominion alone. But these agreements have to be ratified by the various legislatures and meanwhile estates of all persons domiciled in those provinces are liable for provincial as well as Dominion taxes if they die before that happens. In any case, whatever those provinces do, the Dominion tax will continue. In provinces which reach no agreement with Ottawa the two duties will remain, subject to the deductions from the increased Dominion levy, allowed since the federal tax rates were doubled last year.

Whether imposed by the Dominion or the provinces, these duties are levied on your entire estate except real estate situated outside the taxing jurisdiction. And because they are a first charge against your assets, your executors must have ready funds to meet them as well as to provide for your dependents after your death.

Accordingly, you can't afford to ignore the possible effect of succession duties on your estate. You may not be able to avoid paying them, but it is possible to arrange matters to cushion the effect. Succession duties are very involved and therefore it is always wise to get the advice of an expert, but there are some things you can and should learn beforehand.

In actual practice real estate is taxed only in the jurisdiction where it is located. Thus, if you live in Ontario but own real estate in Manitoba, the Dominion will tax the total assets and Ontario will tax all but the real estate which will be taxed by Manitoba. However, if some of your personal property (securities, etc.) is located in Manitoba or New Brunswick, it may be taxed not only in Ontario but in the other provinces as well, although some allowance would be made by Ontario for the taxes paid to other provinces on the same assets.

How Exemptions Work

Whether your estate actually pays tax or not depends on the exemptions allowed under the Dominion law and the laws of the province where you live and where your assets are located.

Under Dominion law, no estate is taxed if it does not exceed $5,000. Under provincial laws the general exemption varies from $5,000 in Ontario and Nova Scotia down to nothing in Quebec and Prince Edward Island.

This general exemption applies, no matter to whom the estate passes. But when your heir is a close relative such as your widow or a dependent child, much larger special exemptions are allowed. For example, the Dominion law allows a widow an exemption of $20,000, Ontario law allows $25,000. The relationship of the beneficiary or heir to the deceased accordingly is important.

"A widow and dependent children get the most consideration under succession duty laws; strangers get the least."

For this reason all taxing jurisdictions have established classes of beneficiaries. They have accepted the general principle that those who are closely related or dependent upon the deceased should receive more consideration than strangers.

The Dominion government has established four classes; New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan and British Columbia three each, all fairly comparable; Nova Scotia four; Alberta four; Prince Edward Island three.

The only general distinction that can be made safely therefore is that a widow (and dependent children) get the most consideration under succession duty laws, strangers get the least.

The classes of beneficiary established by the Dominion are as follows:

Class A—Widows, children under 18, or over 18 but dependent because of mental or physical infirmity. Children adopted under the age of 12 by the deceased are included in this category.

Class B—Grandparents, parents, children-in-law or any children who do not come under class A, and the husband.

Class C—Lineal ancestors not included in class B, brothers or sisters and their descendents; aunts, uncles and their descendents.

Class D—All others.

Provincial Classes

Taking Ontario as an example of the classifications in most of the other provinces, the classifications are:

Class (1) wife, child, husband, parent, grandparent and children-in-law.

Class (2) Lineal ancestors not included in class 1, brothers and sisters, their descendants, uncles or aunts and their descendants.

Class (3) Others.

It will be noted that under the Dominion Act, your widow stands in a better position as regards inheriting your estate than you do in inheriting from her.

This grading of the beneficiaries is of prime importance in regard to succession duties not only because it affects the exemption allowed but also the rates.

In Ontario, for example, while the general exemption allowed on an estate is $5,000, if the estate is left to a widow there is no duty charged until the value passes $25,000. In Ontario also tax is not levied on property passing to aunts, uncles, cousins, brothers and sisters unless the total exceeds $10,000.

Under the Dominion and B.C. law, exemptions allowed the beneficiaries in class A are "absolute." That is, the amount of the exemption is deducted from the total value of the estate and the tax is levied only on the excess, although the total value of the estate determines the rate of tax.

In other provinces taxes are not levied until the value of the estate passes a certain point but after that the whole amount becomes taxable.

Here's how it works:

Suppose a man dies, leaving an estate of $100,000, all to his widow. Under the Dominion Act the widow would be entitled to an exemption of $20,000 and the remaining $80,000 would be taxed (at the $100,000 rate).

Under the Ontario Act, however, the entire $100,000 would be taxed.

Succession duty rates are broadly made up of two parts: initial duty and additional duty.

The initial duty is levied on the aggregate net value of the estate. This may be defined as the fair market value of all property which belonged to the deceased, less debts, funeral expenses, certain charitable bequests, etc.

The additional duty is determined separately for each legacy or bequest, and varies according to the relationship of the beneficiary to the deceased, and to the amount of the bequest.

The next article will discuss how the amount of duty is computed.

J. E. BROOME

Chartered Trust and Executor Company announces the appointment of J. E. Broome as Assistant Manager in charge of Sales, Real Estate Department. Mr. Broome who is a Director of the Toronto Real Estate Board, has been with Chartered Trust and Executor Company for the past sixteen years.

MID-CENTRAL MINES *says* that diamond drilling is to start immediately on area where previous work indicated an ore shoot for 350-ft. length.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EASTERN CANADA SAVINGS & LOAN CO 1946 net profit was off 17%, chiefly as a result of higher tax provision. Loans secured by mortgages, agreements for sale, etc., have reached a new high of $7,000,854. During the year loans amounting to $2,902,066 were made ($1,750,000 in 1945) and the company received repayments amounting to $1,508,233 ($1,250,000 in 1945), showing a net gain of $1,393,833 ($500,000 in 1945).

Business in 1947 will depend to a considerable degree on whether materials are available for construction, repair, alterations, etc., and freedom from labor trouble, President W. H. Covert states.

During the past year a pension plan was inaugurated for the staff.

	1946	1945
Liab. to public, etc.*	$6,969,887	$5,316,884
Shareholders' equity	1,229,771	1,222,882
*Secured by:		
Mtges. & sls. agree.	6,995,753	5,530,025
Realty for sale	3,300	2,302
Office premises	36,699	38,217
Liquid assets‡	1,163,906	969,222
Total	8,199,658	6,539,766
‡Includes bonds and stocks.		
Earned per share	$5.61	$6.76
Paid	6.00	6.00

B. C. TELEPHONE CO. 1946 net profit was up 4%. Handling of an unprecedent volume of business during the year taxed facilities and organization to the utmost, President Gordon Farrell states. By the end of the year the company had provided for an increase of 11,703 telephones largest in its history, bringing total number in service to 174,838. By purchase and construction of additional long distance lines, the company provided for an increase over the previous year of approximately 16% in the number of originating long distance calls completed.

Early this year the company will apply for permission to increase its authorized capital from $11 millions to $25 millions. The company is faced with a major construction program.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings‡	$2,884,164	$2,658,978
Less: Deprec.	1,329,462	1,304,669
Bond interest	732,355	630,009
Note interest	11,512	......
Amort. bd. disc.	69,291	35,306
Conting. res.	25,000	......
Net profit	716,544	689,003
Less: Pref. divds.	60,000	60,000
Pfd. divds.	270,000	270,000
Ordinary divds.	360,000	360,000
Surplus for year	26,544	*997

*Deficit.
‡After total taxes which include refund. portion of EPT of $90,599 in 1945.

Times Bond Interest Earned:		
Before deprec.	†3.88	4.22
After deprec.	†2.09	2.15

†Includes note int.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$71.65	$68.90
Incl. ref. EPT	71.65	77.96
Paid	6.00	6.00
Pref.: Excl. ref. EPT	14.59	13.98
Incl. ref. EPT	14.59	15.99
Paid	6.00	6.00
Ord.: Excl. ref. EPT	8.59	7.98
Incl. ref. EPT	8.59	9.99
Paid	8.00	8.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$1,653,789	$1,747,670
Accts. rec.	473,475	396,744
Inventories	1,212,040	839,582
Total curr. assets	3,339,304	2,983,996
Unamort. exp.	783,695	529,593
Misc. assets▲	456,592	520,915
Fixed assets	39,065,540	35,189,463
Total assets	43,645,131	39,223,967
Accts. & tax. pay.	1,280,728	1,201,106
Other curr. liab.	435,408	267,343
Total curr. liab.	1,716,136	1,468,449
Note pay.	500,000	......
Funded debt	16,500,000	14,000,000
Reserves*	14,125,405	12,978,472
Capital stock	10,000,000	10,000,000
Surplus▲	803,590	777,046
*Incl. depr. res.	12,788,227	11,691,294
▲Incl. ref. EPT	285,723	285,723
Working capital	1,623,168	1,515,547

GREY & BRUCE TRUST & SAVINGS CO. 1946 net earnings amounted to $73,016 as compared with $93,270 (this included a nonrecurring profit of approximately $25,000 in 1945 due to Alberta bond settlement). After taxes of $14,255 and depreciation of $2,310 on building and fixtures, net profit was $56,451 ($66,058 in 1945). Average profit for the previous five years of operations was $55,226. Earnings were $5.18 a share as against $6.06 in 1945 (higher share earnings reflecting nonrecurring profit).

Deposits and guaranteed investments increased $2,506,031 and total $8,206,509. Assets under administration have increased $2,249,099 to $11,633,311.

	1946	1945
Liab. to public, etc.	$8,246,366	$6,119,161
Shareholders' equity*	770,530	752,208
*Secured by:		
Mtges. & sls. agree.	2,297,672	1,596,238
Office prem.▲	23,500	13,765
Realty for sale	39,009	42,621
Liquid assets‡	6,656,715	5,218,745
Total	9,016,896	6,871,369
‡Includes bonds and stocks.		
▲After depr. of $38,961 in 1946 and $36,651 in 1945.		
Estates account	2,577,454	2,476,192

COCKSHUTT PLOW CO. net profit for the year ended Nov. 30, 1946, was up 18.3%. A sharp reduction in income tax provision more than offset a decline on operating profits. Farm implement sales exceeded any previous year. The company's tractor, first Canadian-built tractor marketed in volume, has been received with favor by the trade, President C. Gordon Cockshutt, states. Company business, other than in domestic farm implements, has shown satisfactory results, it is stated.

Arrangements were made to obtain $3 millions on a bond issue effective Dec. 1, 1946, which will be reflected in 1947 accounts. This enables the company to finance plant expenditures amounting to some $4 millions, which will be completed this year.

Cockshutt Molded Aircraft Ltd. has not yet been liquidated. There will be some profit to be transferred to the company in next year's statement.

Sales outlook for 1947 is satisfactory, it is stated. There is still a shortage of materials but it is anticipated that supplies will be better than a year ago. First quarter production is about the same as for same period in 1946.

CONS. INCOME ACCOUNT

Years Ended Nov. 30:	1946	1945
Net earnings	$805,670	$991,516
Less: Int. on bk. loans	46,719	37,786
Depreciation	332,841	256,314
Inc. tax res.‡	141,118	447,517
Add: Prof. on prop. sold	30,087	16,260
Net profit	315,079	266,159
Dividends	160,215	150,339
Surplus for year	154,864	115,820
‡Incl. ref. EPT	unstated	53,601
Earnings per Share and Dividend Record:		
Earn.: Excl. ref. EPT	$1.00	$0.80
Incl. ref. EPT	1.00	1.06
Paid	0.50	0.50

CONDENSED CONS. BALANCE SHEET

As at Nov. 30:	1946	1945
Cash & Dom. bds.	$97,887	$1,298,512
Accts. rec.	240,005	799,651
Inventories	7,169,870	4,774,407
Total curr. assets	7,507,762	6,872,570
Invest. in subs.	296,953	652,968
Misc. assets▲	404,510	288,217
Fixed assets*	4,754,110	3,725,778
Total assets	12,963,335	11,539,533
Bank loan	985,000	......
Accts. & tax. pay.	2,091,144	1,824,319
Total curr. liab.	3,076,144	1,824,319
Conting. res.	1,250,000	1,250,000
Capital stock	6,524,644	6,382,876
Capital surplus	956,212	956,212
Surplus▲	‡1,156,335	†1,126,126
*After depr. of	5,690,464	5,531,641
▲Incl. ref. EPT	264,124	165,632
Working capital	4,431,618	5,048,251

†Reflects debit of $143,015 on partial renegotiation of war contracts to Nov. 30, 1944.
‡Debit of $127,785 on renegotiation and taxes applicable thereto.

MONARCH KNITTING CO 1946 net profit was quadrupled at $311,355. This does not include a profit of $213,580 on sale of fixed assets. The 1946 earnings include the results of operations of the working assets and inventory acquired as at close of 1945 from Joseph Simpson Sons Ltd.

It is planned to redeem the $300,000 par value 5% cumulative preference shares now outstanding and to issue $500,000 par value 4½% preference shares; also to issue an additional $500,000 principal amount of serial debentures in connection with financing of the capital expansion program.

Commitments outstanding for the purchase of machinery amount to approximately $543,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Oper. profit	$1,037,969	$245,042
Less: Depreciation	151,614	70,000
Inc. tax res.‡	575,000	99,000
Net profit†	311,355	76,042
Less: Pref. divds.	11,362	102,455
Com. divds.	51,000	......
Surplus for year	248,993	*26,413
‡Incl. ref. EPT	......	11,500

*Deficit.
†Note: Co's. report includes ref. EPT in net profit and surplus for 1945.

Earnings per Share and Dividend Record:		
5% preferences■:		
Excl. ref. EPT	$103.79	$12.76
Incl. ref. EPT	103.79	14.69
Paid or pay. (7%)	......	7.00
Paid or pay. (5%)	3.75	5.00
Paid (old 7%)	......	8.91¾
Com.: Excl. ref. EPT	2.91	*0.40
Incl. ref. EPT	2.91	*0.51
Paid	0.50	......

■5% and 7% preference combined in 1945. *Based on net profit as above after deducting full years divds. on new 7% and 5% pref. stocks but without allowing for divds. paid on old 7% pref.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$425,292	$53,652
Accts. rec.	642,002	371,178
C. s. v. life insur.	22,366	21,604
Inventories	890,685	838,603
Total curr. assets	1,980,345	1,285,087
Prep. ins.§	39,042	18,066
Misc. assets▲	132,849	147,458
Fixed assets*	1,110,151	1,021,946
Total assets	3,262,387	2,472,507
Total curr. liab.	761,337	758,052
Contingencies res.	......	50,000
Funded debt	960,000	150,000
Capital stock	810,000	1,105,900
Surplus▲	‡731,050	†408,555
▲Incl. ref. EPT	108,244	108,244
*After depr. of	1,456,155	1,434,880
Working capital	1,219,008	526,985

†After adjustments arising from change in capital structure in 1945 and writing off goodwill of $995,905.
‡Incl. $213,580 spec. surp. from sale of fix. assets.
§Incl. in curr. assets in co's. report.

WOOL COMBING CORP. 1946 net profit was up 57.3%. A sizeable reduction in income tax provision more than offset a decline in operating profit. The fall in operating profit is occasioned by shorter normal working hours at company plant, and higher rates of wages, with no increase in processing charges, President Lord Barnby states.

Plant facilities will be expanded by addition of a French Combing Dept., machinery for which has been ordered and should be installed this year.

INCOME ACCOUNT

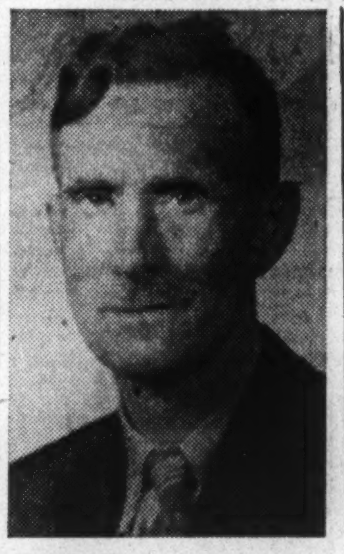
Years Ended Dec. 31:	1946	1945
Net earnings	$192,672	$253,531
Less: Deprec.	21,351	20,776
Income taxes‡	79,265	164,848
Add: Prof. on bd. sale	14,761	......
Net profit	106,817	67,907
Less: Dividends	75,000	75,000
Surplus for year‡	31,817	■7,093
‡Incl. ref. EPT of	......	22,997

■Deficit.
‡Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$2.14	$1.36
Incl. ref. EPT	2.14	1.82
Paid	1.00+0.50	1.00+0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash and Dom. bonds	$346,802	$291,635
Accounts rec.	22,988	29,857
Mkt. secs.‡	......	60,261
Inventories	13,958	19,918
Total curr. assets	383,748	401,671
Misc. assets▲	42,759	54,356
Fixed assets	560,228	555,163
Total assets	986,735	1,011,190
Total curr. liabs.	139,216	201,459
Depreciation res.	364,228	348,203
Capital stock	250,000	250,000
Surplus▲	233,291	211,528
▲Incl. ref. EPT	26,905	35,500
‡Market value	......	64,540
Working capital	244,532	200,212



LEO COX

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CANADIAN GENERAL INSURANCE COMPANY

TORONTO GENERAL INSURANCE COMPANY

CONFIDENCE

CANADIAN GENERAL	1946	TORONTO GENERAL
$3,281,663.	Assets as at 31st December, 1946	$2,488,775.
1,468,136.	Surplus to Policyholders as at 31st December 1946	1,072,013.
1,465,655.	Net Premiums	1,199,172.

Growth and stability were continued during 1946 by these Progressive, Multiple-Line Canadian Insurance Companies.

An efficient and econo[illegible]l service is rendered the Insuring Public through Branch Offices and Agents from Coast to Coast.

As shown below, the combined Assets of these Companies have increased over 100% during the past decade.

CANADIAN GENERAL GROUP - COMBINED RESULTS

1946		1936
$5,770,438.	Assets	$2,771,545.
2,540,149.	Surplus to Policyholders	1,533,941.
2,664,827.	Net Premiums	1,467,372.

VANCOUVER - WINNIPEG - TORONTO - MONTREAL - SAINT JOHN

Financial Statements upon request.

How every truck-using business can increase its distribution efficiency

AN INTENSIVE STUDY of Distribution Efficiency in all major truck-using industries has just been completed by White. The study has extended over the past six most critical years in truck history. It has produced a definite System by which any business can create for itself increased distribution efficiency, lowered costs and better service to the public.

THE CONTINUING CONTROL SYSTEM OF TRUCK MANAGEMENT is White's name for it, because it is based on the three *continuing* factors which *control* truck efficiency from the day service starts. It applies to all makes of trucks and all types of business.

FOR MORE THAN 45 YEARS, ever since the start of truck transportation, the name White has been associated with pioneering leadership. And in White's opinion, no step it has ever taken in the past, to extend the usefulness of trucks to new fields of industry, has been more important than the one it is taking now—to help every field of industry avail itself of all that modern truck transportation has to offer when it is properly applied, maintained and used. White believes that perhaps never again will so many truck owners be in more logical position with respect to worn-out equipment on hand to make a thorough reappraisal of their transportation requirements in the light of their exact needs and take full advantage of the bettered service and lowered cost which properly applied trucks, correctly maintained and driven, can provide.

THE SYSTEM IS EASY to put into effect. All the necessary material is ready and your local White Representative will be glad to furnish you complete information. We suggest that you phone him today.

White

FOR MORE THAN 45 YEARS THE GREATEST NAME IN TRUCKS

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A Statement of

STELCO POLICY

in the matter of Steel supply

THE DEMAND for steel in Canada today is greater than ever before. Greater even than during the war years when Stelco facilities were taxed to capacity and when supplies of steel available in Canada were augmented by tonnage imported from across the line.

With war's end arrangements for these steel imports were terminated. Strikes began to create shortages in the American field. Demand on Canadian producers began to pyramid. Industry needed steel for reconversion from war production to civilian requirements—needed it *immediately* and in large quantity. But—no built-up stocks were available anywhere.

It's the simple story of Demand outstripping Supply.

Indicative of Stelco's efforts to provide for maximum output are its increased production—more than double that of the maximum pre-war years—and a new Hot Strip Mill now in operation in Hamilton.

In the matter of distribution, Stelco will continue to give every customer the fullest possible consideration in the intelligent and equable allocation of available supplies. No favouritism will be shown to one customer above another, nor to any particular part of the country.

With all-out production and fair distribution Stelco is confident that present difficulties can be overcome and equilibrium restored.

THE STEEL COMPANY OF CANADA, LIMITED

HAMILTON — MONTREAL

4629-B

Expect Higher Prices For Lumber in Canada

At present it costs more to buy a log than the lumber sawn from it—in Canada. Donald Gordon's price ceiling is responsible for that reversal of economics. Normally of course the price of the lumber is the price of the log, plus handling and sawing, plus profit. But markets are not normal in the lumbering business today and especially in British Columbia.

Actually there are at least three distinct prices. The lowest is for the third of the cut that must be sold in Canada, the next for a shade more than a third which must go to the U. K. and the highest for the remainder which the lumbermen can sell to the rest of the world. Actually, of course, the price of the log is determined by all three ranges, hence it sells for more than its lumber equivalent in the Canadian market.

There is some variation in grades and sizes, but generally speaking the same lumber that cannot be sold for more than $35 a thousand to the Canadian market, is worth $65 when destined for Britain, $70-75 to the United States and $80 loaded on the boat for South Africa.

Easier Foreign Prices?

In recent months there has been a tendency for prices to ease in certain foreign market: particularly those soonest affected by Baltic shipments. Some observers seeing these Baltic exports stepping up, believe that foreign or world prices will continue to ease gradually but there is no early expectation of them sliding down to the Canadian ceiling level. Rather they expect to see a lifting of the ceiling here to something approaching the United Kingdom price.

If our ceilings were lifted tomorrow, the Canadian domestic market would get all the lumber it wanted, but these observers say frankly that it would cost consumers a great deal more, perhaps twice the present price. If on the other hand, the ceiling stayed but export controls were eliminated then practically every stick of lumber would flow into export and continue to do so until export prices fell to the Canadian ceiling.

Domestic Market Gets Share

Despite the hue and cry of a lumber shortage on the Prairies and in eastern Canada, B. C. lumbermen say that the Canadian market is not being neglected. It is at least as well supplied as in normal times, perhaps much better they maintain.

The trouble is that consumption is far higher than normal, in Canada and almost everywhere else. Just recently, it is admitted that shipments east may have been restricted or held up but they are now improving and the full domestic share of approximately 35% of the B. C. cut this year will be sold in Canada.

So far as B. C. is concerned there is little or no bootlegging over the border nor can there be, it is maintained, with almost the entire lumber industry in the hands of three main, and easily policed groups.

MASSEY-HARRIS CO has advised the Montreal Stock Exchange that an additional 5,990 preferred shares have been converted into 8,985 common shares on the basis of 1½ common shares for each preferred share converted. The exchange will continue on this basis until such time that 161,200 preferred shares are outstanding. Total common shares presently outstanding are 1,118,592 shares while the preferred total is 281,163 shares.

PRICE BROS. & CO. has advised the Montreal Stock Exchange that as at Feb. 26, 1947, there were 546,676 common shares outstanding.

MOSS, LAWSON & CO.

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MacTIER & Co. LIMITED

INVESTMENT SECURITIES

ALDRED BUILDING MONTREAL PLATEAU 3481

WAR ASSETS

WAC Bulletin

To MERCHANTS

The following war surplus items are available

"SPINTITE" WRENCHES

Large assortment of "Spintite" wrenches, some with wooden handles, some x-celite, hexagon shape, sizes from 7/32 up to ⅝. Overall length from 5¾" up to 9". Used.

WRENCHES

Various sizes and types, some hexagon shape for spark plugs, others open end and hook type. Size up to 1⅝".

STOKERS

One new and one used Type "E" Centre Retort Underfeed Stoker, manufactured by Combustion and Engineering Company Limited, adapted for Waterous three drum boiler No. 917. Stoker Class 9. Width 8'6", grate area 76.5 sq. feet. Steam operated. Sliding retort with auxiliary pushers, carries coal full length of stoker. Equipped with controlled over fire air supply for more perfect combustion of gases. Stoker may be adapted for use in boiler ranging from 150 to 600 boiler H.P., also designed to burn caking and non-caking bituminous coals. Shipping weight 20,200 lbs.

OIL CONTAINERS

New plastic oil containers, as used with Service rifles and Bren guns. Approximately ¾" outside diameter and approximately 3" long, screw top. Complete with application. These oil containers are ideal for sportsmen and for any purpose in industry and home where a small quantity of oil is useful.

BRUSHES

New all metal brushes ¾" x 2". Used to clean Bren Gun barrels (.303"). Contained in boxes of 1,000.

NON-OXIDE TREATED CLOTH

Non-oxide treated cloth, contained in rolls, 36" wide, 100 yards long. 68 lbs. per roll. Colour green. In unused condition.

GRADING BLADE

One used Willett Oil Hydraulic Under Body Truck Grader 12 feet long, 18" wide. Partially dismantled, located Kingston, gross shipping weight 1500 lbs.

Address all inquiries to:

Branch Sales Manager
War Assets Corporation
Toronto, Ontario

Articles such as these are directed to the public through regular wholesale and retail outlets and are subject to priorities.

Watch For Further Announcements

70

WAR ASSETS CORPORATION

YOU ASKED US ABOUT

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business; taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Government Annuity

On Nov. 14, 1939, my son started payments on a Dominion Government annuity with the option of making the payments any way he chose, to make it mature when he liked, by increasing the payments. On Aug. 27, 1946, he made his final payment and on Nov. 14 he got his check for $100, the first payment for his $1,200 annuity. When he took out his contract it was stated the $1,200 would be free of income tax. Some people tell me the income tax department is now trying to tax part of these annuities. Do you think my son's annuity is taxable?

We suggest you write the annuities branch of the Department of Labor at Ottawa, giving them all particulars about the contract. If the original contract was for an annuity of $1,200 a year and your son made payments accordingly, the whole annuity may be tax free. On the other hand, if payments made were for a smaller annuity, the interest part of the larger annuity may be taxed. Without knowing all the details of the contract and the way in which payments were made, it is impossible to say anything definite about the taxability of the annuity. The annuities branch will be able to advise you.

Daughter Over 21

I have a dependent daughter over 21 who was physically unfit for part of 1946 and who did not receive over $400 in income. Can her medical expenses be deducted, and can I claim her as a dependent?

Unless her disability was permanent, or at least of long duration, you would not be able to claim deductions from income on account of supporting her or for her medical expenses. You might, however, take up the matter with your income tax inspector, as there might be some special circumstances which would affect the situation in your case.

INVESTMENTS

B. C. Forest Products

Please give me a review of the financial setup and current earnings position of British Columbia Forest Products Ltd.

British Columbia Forest Products Ltd. was incorporated on Jan. 31, 1946, to acquire the assets of a number of smaller companies.

Capitalization at Sept. 30, 1946, consisted of $2.5 million 2¾% serial bonds due 1947 to 1954 ($300,000 maturing May 31, 1947,) $3.5 million 4% bonds due 1966, sold at $100 and accrued interst in May, 1946, and 2,000,000, no par value common shares. A public offering of 1.5 million common shares was made last May at $5 a share. A report for the eight months' period ended Sept. 30, 1946, showed a net profit of $411,972. The next report will cover a full 12 months' operations, commencing Oct. 1.

The report stresses that a strike (which began May 15, 1946,) caused a complete shut-down of all logging and sawmill operations in the coastal area of British Columbia and Vancouver Island to approximately July 1, 1946, so that it was not possible for it to take immediate advantage of new sawmill and logging acquisitions. The report, therefore, covers period during a substantial part of which only the Sitka mill was operated. It states that for only July, August and September, were normal operations of the four sawmills and logging camps of the company carried on.

Although the company only reported a net profit of $411,972, or 21 cents a common share for its first eight months of operations, nearly 75% of this, or some $300,000, was earned in the three months' period of uninterrupted operations, the report points out.

At the annual meeting on Jan. 23, president E. P. Taylor told shareholders that earnings for the first quarter of the current fiscal year were over 20 cents a share, and that "your directors believe that, barring unforseen eventualities, this rate of earnings can be maintained for the balance of the year."

So far as the physical properties are concerned, the company can look forward to the future with confidence, Mr. Taylor felt. But prosperity over a period of years is dependent upon the world demand for lumber, on the prices which foreign buyers are prepared to pay, on the ability of those buyers to pay for the lumber they desire, and on the company's ability to compete in the world market with exporters from other countries, he pointed out.

Directors are faced with the necessity of planning future operations so that the company will be able to compete successfully in the world market when the present demand slackens, he added.

The H. R. MacMillan Export Co., one of the largest and most successful of B. C. lumber firms, has been retained to manage British Columbia Forest Products Ltd. and to handle the sale of its prodcts on a fee basis.

Production of the companies acquired by British Columbia Products was about 170 million board feet in 1945. It is planned to increase the rate of production to 200 million board feet as rapidly as possible, it was stated in the prospectus. At the time the annual report was published, production was running about 175 million board feet.

The trust deed securing the bonds provides that, so long as any of the first mortgage bonds remain outstanding, the company will not declare or pay dividends on its common shares which would reduce net consolidated working capital (as defined) below the lesser of $2 millions or the bonds outstanding. The working capital shown by the annual report was $2,021,272.

Ford Motor Co.

Has Ford Motor Co. of Canada given any indication of its 1946 earnings yet? What are future earnings prospects?

No information is available yet on 1946 earnings, but last November, President D. B. Greig stated that a loss of $1.7 millions was shown for the nine months ended Sept. 30, 1946, and that it appeared that a loss for the entire year would approximate $2 millions. Principal reason for this loss can be summed up in the phrase "Stop and Go Production," he stated.

At that time, Mr. Greig added that for the future it was apparent that an improvement in this situation must come from the achievement of a sustained high rate of production with lowered costs of operation.

You will no doubt have noticed the item regarding operations which appeared in The Financial Post of Jan. 11, 1947. It stated that present production schedules called for about 330 units daily, and that officials could see no likelihood of any marked increase in output of cars and trucks during the first quarter of 1947. However, they were hoping for an improvement in the supply of raw materials, and were aiming at an even better production record than for 1946. Ford ended 1946 with a total output of cars and trucks greater than for any peacetime year since 1929.

The company has not made any statement regarding its dividend policy since the annual meeting on April 29, 1946, when President Greig stated, "based on present estimated costs and ceiling prices in effect, there is no indication that our operations for the year can be conducted on a profitable basis. In view of this, your board has not thought it advisable to declare a dividend at this time. The board will, of course, review the subject throughout the year."

Ford Motor Co. of Canada paid dividends at the rate of $1 a share per annum quarterly from Dec. 16, 1936, to Sept. 15, 1945; cancelled the Dec. 15, 1945, dividend, but paid 25 cents on Feb. 16, 1946. No dividend has been paid since.

Earnings per share have been $1.01 in 1945, $1.71 ($1.89) in 1944, $1.47 ($2.03) in 1943, $1.94 ($2.22) in 1942, $1.97 in 1941 and $1.55 in 1940. For 1942-44 the first figure represents earnings excluding and the figure in brackets earnings including refundable excess profits tax.

Working capital amounted to $25,621,955 at Dec. 31, 1945—up about 63% from the Dec. 31, 1940, figure of $15,724,812.

Ottawa L. H. & P.

Has an agreement been reached between the Ontario Hydro Commission and Ottawa Light, Heat & Power for purchase of latter's assets, or has negotiations been called off?

The Hon. George H. Challies, vice-chairman of the Hydro-Electric Power Commission of Ontario, tells The Financial Post that there is no agreement between the Commission and the Ottawa Light, Heat & Power Co. for the purchase of the company's assets, but that negotiations have not been called off.

FOREIGN TRADE ENQUIRIES

Herewith are definite trade proposals and enquiries for Canadian goods from business firms in foreign countries.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Industrial Progress, the magazine of Canadian trade abroad.

Write The Foreign Trade Service Bureau, The Financial Post, 481 University Ave., Toronto 2, for information about any bulletin below and please give the code number preceding the item.

As an additional free service similar concise statements of trade proposals by Canadian firms producing industrial equipment for export will be published by Industrial Progress which circulates in more than 54 foreign countries. Please send your announcements to the same address.

U59, INDIA—Merchant firm of exporters and importers desirous of improving cotton braid or cords, barber's razors, barber hairclipping machines, stone for sharpening razors, cycles, wireless radio sets, needles for hosiery knitting machines, and overissued newspapers; firm is also in a position to export Indian raw produce of all kinds. Crude herbs and drugs, dried fruits, leather, hides and skins, wool, fur, Persian carpets, spices of all kinds.

U60, INDIA — Firm of general merchants, commission agents and manufacturers' representatives seeks contact with Canadian firms in a position to supply the following: Book binding cloth and cloth fents, straw boards, fancy paper, marble and account book paper, pringing machine treadle, guillotine paper cutting machine, treadle perforating machine, hand lever perforating machine, automatic hand numbering machine, printing ink, book binders threads and needles, stationery items, such as lead pencils, etc.

CM247, ARGENTINA—Dealer in electrical goods, air-conditioning units, machinery and metals, requests quotations f.o.b. a Canadian port, in Canadian dollars, delivery times stated, on the following articles: Fluorescent lamps, 40 and 20 watts, with and without filament and accessories; electric motors, squirrel cage, 50 cycles, 1,400 and 2,800 r.p.m., 220/380 volts up to 5 h.p. and 380/660 volts for more than 5 h.p.; air-conditioning units; electrodes for calcium carbide furnaces with the following measurements: 30 x 30 x 100 cm. Is also interested in obtaining exclusive representation of some of these lines for the Argentine Republic.

G120, FRANCE AND NEAR EAST—Firm of commission agents, importers and exporters, seeks exclusive representation of Canadian manufacturers of the following items: Hardware, electrical goods, sanitary furnishings, construction material, industrial equipment, for France and French possessions, Central Europe and the Orient, as well as the Near East. Bank reference offered.

CM248, INDIA—Textile mill, in process of expansion, seeks source of supply in Canada for the purchase of cotton and wool textile machinery.

CM249, HONDURAS — Firm of importers interested in purchasing construction materials, tools, hardware, small machinery, industrial furniture constructed of steel and wood; large machinery handled on a commission basis. Trade and bank references offered. Already represents many well-known United States manufacturers.

D147, INDIA—Firm of importers, acting also on a commission basis, desires to import the following lines: Electrical goods, textiles, machinery, sundries, hardware, glassware, transport materials and other Canadian goods marketable in India. Already represents many reputable Canadian firms and offers bank and trade references.

U61, HOLLAND — Commission agent would like to establish contact with Canadian manufacturers of textiles, piecegoods, such as hosiery, underwear, corsets, etc.

G118, INDIA — Old established firm of general merchants, covering all the large cities in India, is interested in importing good quality bicycles and constructional glass. The company acts as selling agents for several English firms. Trade and bank references offered.

G119, EUROPE — President of Canadian merchandising company planning trip to Europe in April and May offers services in handling transactions for other companies interested in buying from or selling to Europe.

(CM244), ECUADOR—Connection sought by industrial firm with Canadian companies who can supply presses for cement mosaics, industrial equipment for the manufacture of pipes, roof tiles, etc., from cement, and farming tools, such as shovels, pickaxes, hoes, plows, etc. Bank reference given.

(G117), INDIA — Manufacturers and exporters are asked to contact export-import firm interested in obtaining the following lines: Toilet requisites, cosmetics and perfumes, haberdashery, hosiery, stationery, plastic consumer goods, crockery and glassware, novelties, toys and games, cutlery.

RALPH K. REYNOLDS

is president of the newly formed Mallory Hats (Canada) Ltd., Brockville.

Canada's Most Versatile Tanners

FINE sheep and goat leathers . . fancy and embossed leathers, Shearlings, dyed lamb and Mouton Fur.

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An exceptional investment is offered in this issue. You are invited to fill in and mail the coupon below or write for a prospectus which gives complete information on the purpose of this offering . . . the steady, consistent and sound progress of Hanson's Wholesale Grocers Limited, and the outstanding opportunity it presents to you. At this time the majority of the shareholders of the company are the customers it serves — individual, independent retail grocers who may serve you.

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In the face of restrictions and shortages, without trade with Government offices, institutions or other wartime businesses, this Company shows the tremendous sales increase in the four-year period from Aug. 31/42 to Aug. 31/46 of nearly 600%. Dividends have been paid to shareholders since incorporation of the Company. The prospectus, which is available to you, clearly defines the excellent position of Hanson's Wholesale Grocers Limited.

This

The purpose of the issue is for new building construction for warehousing, manufacturing and equipment storage. Products will be manufactured for which the company has already a strong demand. Trucks will be added to an already extremely efficient distribution system. The issue will also be used for increased inventory, including additional sundry items for which there is a consistent and profitable market. The prospectus gives detailed information. The coupon below is for your convenience; mail it today.

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Without cost or obligation, please forward me the prospectus relating to the new issue of $191,100.00 of Hanson's Wholesale Grocers Limited 5% non-cumulative redeemable shares.

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THE Windsor

ON DOMINION SQUARE

J. ALDERIC RAYMOND, PRESIDENT

Average Canadian Savings Deposit Increases $40 to $573 Last Year

There are 6,063,500 savings deposits in the chartered banks of Canada, one for every two persons in the country, the annual breakdown of bank deposits as at Oct. 31, just published by the Bank of Canada shows. The average savings deposit is $573, or $40 more than on the same date of 1945.

About 87% of all savings deposit accounts were for $1,000 or less, the total amount of deposits of this size at $901 millions being 26% of the whole. Almost 99% of the total number of deposits are less than $5,000, the amount of deposits of this size being 65% of the total.

The expansion in the total savings deposits from $2.9 billions to $3.5 billions and in the size of the average deposit is attributed to a number of factors including a well-sustained volume of employment, despite the reduction in government spending, family allowance payments, with some soldiers' gratuities still being paid, as well as the shortage of consumer goods limiting the avenues for expenditures. These savings deposits mostly the property of individuals reflect spending power of the public, and are the largest single money item in the country. While theoretically the banks can require reasonable notice before repayment, they never insist on this.

Demand deposits also rose in number and amount. As their name indicates these demand deposits are repayable on demand. They are mainly owned by business firms. The number of these is much smaller than that of savings deposits at 838,500 against 6,063,500. But the average amount is much greater at $2,762 compared with the average savings deposit of $573. The average demand deposit, however, is lower than it was the year before, probably due to businessmen using their own money in their business to finance inventories and operations.

The proportion of demand deposits to the total was almost 40% with savings deposits about 60%. In 1945 the proportions were 44% and 56% and before the war 34% and 66%. The 1946 figures indicate a tendency to return to the pre-war ratios.

The accompanying figures show the numbers and amounts of deposits in various brackets.

ANNUAL CLASSIFICATION OF DEMAND AND NOTICE DEPOSITS
Chartered Banks of Canada

As at Oct. 31:	Number — Thousands			Amount — Millions of dollars		
	1946	1945	1944	1946	1945	1944
Demand Deposits:						
$1,000 or less	649.2	592.0	602.1	165.6	166.3	142.1
$1,000 to $5,000	142.3	133.3	120.1	307.2	289.0	259.0
$5,000 to $25,000	37.1	34.9	29.4	372.3	344.0	295.8
$25,000 to $100,000	7.5	6.7	5.8	350.9	307.2	268.1
Over $100,000	2.4	2.5	2.2	1,097.7	1,159.8	1,145.4
Adjustment items	—	—	—	+22.0	+30.6	+34.0
Total demand deposits	838.5	769.3	759.5	2,315.7	2,297.0	2,144.5
Notice Deposits:						
$1,000 or less	5,290.7	4,968.7	4,588.0	901.0	862.3	752.3
$1,000 to $5,000	690.2	584.2	454.3	1,373.3	1,142.9	880.2
$5,000 to $25,000	77.5	60.0	47.4	645.3	497.0	405.1
$25,000 to $100,000	4.1	3.1	2.8	180.5	133.4	122.0
Over $100,000	1.0	.8	.7	365.7	347.8	322.7
Adjustment items	—	—	—	+10.9	+8.3	+6.6
Total notice deposits	6,063.5	5,616.7	5,093.2	3,476.7	2,991.6	2,488.9

ICAO May Prove of Value In Keeping Peace of World

MONTREAL (Staff) — Provisional International Civil Aviation Organization, multi-lettered international air body born in Chicago in 1944, came of age last week and dropped its provisional title. With at least 26 of the 47 member nations formally agreeing to the rules and regulations of the organization, it will now be known as ICAO.

Since ICAO's work cuts across purely national interests it may yet prove an important instrument in maintaining world peace. For example, ICAO is prepared to extend financial assistance or fully underwrite air facilities in those countries which either cannot afford them or to which these facilities would be of little direct benefit.

The drafting of a multilateral air agreement is likely to get top billing on the agenda at ICAO's general assembly meeting here in May. Purpose of such an agreement is to work out a blanket agreement which would cover commercial air operations in all countries in order to give each country equal opportunity in developing air services.

Canada through her representative on ICAO's council, Anson McKim, has been a strong exponent of the multilateral policy. United Kingdom and United States talk bilateral deals and hold up the Bermuda Agreement betwen the two countries as a prime example of two-way agreements. This question is almost certain to get vigorous treatment by both sides this spring. In the meantime Canada is also moving along the bilateral path with United States, endeavoring to win more air freedom via the barter method.

It is likely that ICAO will become affiliated in some manner with United Nations Organization, similarly to the International Labor Organization. USSR has reportedly put pressure on UNO to keep ICAO at a distance if Spain is not admitted to United Nations, since Spain is a member of PICAO. ICAO officials are not likely to welcome the dropping of Spain since it comprises an important aviation area. At the same time they would welcome the inclusion of Russia when or if it decides to join the air body.

ICAO can be described as an international advisory body on every subject pertaining to aviation. Already it has performed considerable service in air navigation, safety devices, meteorological services. It was also responsible for organizing the North Atlantic weather stations. Unlike its Paris predecessor, International Commission for Air Navigation, ICAO will collect and publish information on the operation of international air services including costs, subsidies, other factors in the economics of aviation. It can also investigate any situation which a member nation thinks is proving an obstacle to the development of international aviation.

Although ICAO's headquarters are in Montreal, the work of the organization is divided among regional offices. These include the North Atlantic region; South Atlantic; South Pacific; North Pacific; South American; Caribbean; European and Mediterranean; Middle East; Africa and Indian Ocean; Southeast Asia. Conferences will be organized in each region to deal with specific problems of that region.

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British Northwestern's popular "Twenty Point Star" is the completely flexible policy. You buy almost any combination of its twenty points of coverage—*buy only those points, and no more!* You choose the combination of coverage essential to protection and pay only for the protection you must have.

That's why the "Twenty Point Star" policy offers fullest possible protection at lowest possible cost.

This is a policy tailored both to requirements and to pocket-book. Let the British Northwestern Representative discuss it with you.

Enjoy all the protection you need—pay only for the protection you need.

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3 Dismemberment
4 Loss of sight
5 Elective Benefits
6 Double Indemnity
7 Ambulance Indemnity
8 Hospital Indemnity
9 X-Ray Indemnity
10 Operating Room Indemnity
11 Anaesthetic Indemnity
12 Surgical Indemnity
13 Nurse Indemnity
14 Identification
15 Medical and Surgical Fees for Non-disabling Injuries
16 Quarantine Indemnity
17 Beneficiary Insurance
18 Funeral Expenses
19 All Medical Reimbursement
20 Aviation coverage.

The British Northwestern Fire Insurance Company

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17

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British & Foreign Department, Sydney, Australia

Veterans Look to the Future Via Varsity Business Course

This month, 97 young men and five young women will write the final examinations of their course at the University of Toronto.

Behind them, all have service in Canada's armed forces in World War II. Some have business or practical experience. Others entered the services from high school or college. Ahead, all have the same goal—a wider opportunity in the Canadian business world through doors opened by the course they are completing.

The course is the "Certified Course in Business" — better known as the Business Administration Course — conducted by the University of Toronto through its Departments of Political Economy and University Extension, in conjunction with the Department of Veterans' Affairs, who paid tuition fees and a living allowance.

In many cases, these men took the course to refresh themselves on business practices and principles which had lain dormant in their experience in the war years. They included salesmen, a man who had spent five years in banking and five years in life insurance, managers of retail enterprises and an experienced statistician.

Ship's Captain Enrolled

Nor is their experience confined to business offices. One veteran at 31 holds a captain's ticket in the Merchant Marine, served around the world before the war and during it, and now is fitting himself to take a responsible shore position with a Canadian import-export company or shipping firm.

Their ages from 24 to nearly 40, their preliminary education ranges from Canadian High School to Khaki College, and wartime courses at the University of Brussels, Oxford and the University of London. Many, too, took advantage of the Canadian Legion's Education Service, the most popular subjects being mathematics, economics, French, Spanish, accounting, psychology and electrical engineering.

Those were the foundations on which the veterans wished to build better business training. To aid them, the University included in its course these subjects: accounting, economic history, statistics, economic theory, English, commercial law, Canadian government, corporation finance, business administration and psychology.

Typical of the thorough and intensive training of the course is that in business administration, described in the syllabus as involving "a study of theoretical and practical aspects of the administration of industrial and concerns. It is divided into sections dealing specifically with personnel management, labor relations and trade unionism, the application of statistics, accounting and research to business management, a study of production control, budgeting and cost accounting, a study of purchasing, marketing and advertising."

Given by Varsity lecturers, the courses were supplemented by special talks from highly-placed representatives of business and industry in Toronto, and visits to industrial plants.

Life on the college campus was not all work for this group, however. Last fall, their softball team lost out in the inter-faculty finals to Business Administration Third Course. In hockey this year, they were beaten by Dents A in the quarter-finals. They won their basketball group, to enter the playoffs, and are also in the playoffs in waterpolo. A class representative, Ed Crane won the junior fencing title at Varsity, and they have been active in other campus activities.

Fourth class to graduate in the Business Administration Course, which began with 10 veterans in February, 1945, these veterans are confident that after they receive their graduation certificates next month, they will be able to offer Canadian employers something a little above the average.

War Assets Sales Over $325 Millions

MONTREAL (Staff)—Sales of $11,523,954 during January brought total receipts of War Assets Corp. to $325,876,302, according to a recent statement. For the current fiscal year of the Corp. ending Mar. 31 receipts are shown as $191,490,805, for the first ten months. This compares with $9.5 millions for 1944-45; $125 millions for 1945-46.

Sales for the ten-month period by categories are as follows:

Ships	$62,395,636
Automotive	32,949,972
Machinery & equipment (including machine tools)	16,874,884
Real estate & buildings	27,303,884
Metals	4,234,932
Clothing & textiles	16,865,009
Electrical goods	5,866,986
Scrap	2,507,522
Aircraft	3,214,993
Miscellaneous	19,276,975
	$191,490,805

Fishing Tackle Kits Being Sold by WAC

MONTREAL (Staff)—Supply of fishing gear for 1947 will be swelled to some extent by sale of war surplus fishing tackle kits to retailers and wholesalers. Salesman in this case is War Assets Corp. which offers kits containing 12 hooks, a leader swivel, 50 ft. of 20-pound test fishing line, a darning needle, roll of sewing thread, a large troll, two small trolls and two lead sinkers.

Other sportsmen's items are also being sold by WAC. For hunters or fishermen are some hand compasses, damp-proof safety matches. Plastic oil containers and wire brushes used for cleaning service rifles are also being turned over to the trade.

QUEENSTON GOLD MINES has sold 60,000 shares to company's staff at 15 cents a share. Issued capital is 2,777,069 shares.

PACIFIC EASTERN GOLD MINES has received payment for 18,000 shares each at 50 cents a share from Quebec Gold Mining Corp. and Noranda Mines. Issued capital is 2,174,568 shares.

MEDLAND & SON

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Housing Enterprises Has Big New Projects

MONTREAL (Staff)—Sale of the buildings occupied by Craigmont Corundum Project at Craigmont, Ont., 110 miles west of Ottawa, to Northern Metals Co., Cobalt, Ont., has been announced by War Assets Corp. Included in the sales were mill buildings, sheds, and residences totalling 13 structures in all.

In addition 42 buildings from the prisoner of war camp at Angler, Ont., 180 miles east of Port Arthur have been sold by WAC to Marathon Paper Mills, Marathon, Ont.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

A. A. ARMSTRONG, to be manager, Rideau & William, Ottawa.

C. J. ASH, to be manager, Hintonburgh, Ottawa.

C. L. DREW, to be manager, Albert, N.B.

J. T. HOLDER, to be manager, Oxford, N.S.

J. L. JELLY, to be manager, Annapolis Royal, N.S.

R. D. LEAVITT, to be manager, Kemptville, Ont.

K. I. MITCHELL, to be manager, Picton, Ont.

E. L. ELLIOTT, to be accountant, Forest Hill Village, Ont.

C. D. R. TRAVERS, to be an assistant accountant, Montreal.

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The Imperial Bank of Canada announces the following staff changes:

H. C. SCARTH, manager, Timmins, Ont., granted leave prior to retirement.

H. B. HENDERSON, formerly manager, Sioux Lookout, Ont., to be manager, Timmins, Ont.

N. B. SCOTT, manager, Larder Lake, Ont., to be manager, Sioux Lookout, Ont.

G. W. FISH, accountant, Sault Ste. Marie, Ont., to be manager, Larder Lake, Ont.

S. M. GORDON, assistant accountant, Sault Ste. Marie, Ont., to be accountant.

P. R. NEELY, assistant manager, Vancouver, to be acting manager, Hastings & Abbott Sts., Vancouver, owing to the illness of C. G. HARCOURT.

A. CRAIGIE, assistant manager, Ottawa, to be acting assistant manager, Vancouver.

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The Dominion Bank announces the following staff changes:

JOSEPH JOHNSON, manager, Spadina & Adelaide, Toronto, to be a supervisor at head office.

D. S. BLOXHAM, manager, Queen's Quay branch, Toronto, to be manager, Kenilworth & Barton, Hamilton, Ont.

R. R. BUCHANAN, manager, Queen & John, Toronto, to be manager, Spadina & Adelaide, Toronto.

J. A. HARSHAW, manager, Kenilworth & Barton, Hamilton, Ont., to be manager, Fort William, Ont.

H. G. HENDERSON, manager, St. Thomas, Ont., to be manager, Dupont & Christie, Toronto.

P. E. J. NETTERFIELD, assistant manager, Montreal, to be manager, Queen & John, Toronto.

B. C. SISLER, manager, Belleville, Ont., to be manager, St. Thomas, Ont.

R. W. M. THOMSON, manager, Dupont & Christie, Toronto, to be manager, Yonge & St. Clair, Toronto.

T. W. JOYCE, manager, Yonge & St. Clair, Toronto, retires.

F. CAMPANELLI, accountant, Regina, to be assistant manager, same branch.

G. H. CLARKSON, assistant manager, St. Lawrence Blvd., Montreal, to be assistant manager, Montreal.

H. E. CRAWFORD, to be assistant manager, Spadina & Adelaide, Toronto.

F. J. ROSS, to be an assistant manager, St. Lawrence Blvd., Montreal.

ANDREW SMITH, assistant manager, Regina, to be assistant manager, City Hall, Toronto.

H. J. CHASE, formerly accountant, Moose Jaw, Sask., to be accountant, Regina, Sask.

E. L. MARTIN, to be accountant, Moose Jaw, Sask.

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The Bank of Montreal announces the following staff changes:

L. F. G. BALL, of head office, to be assistant manager, bank premises department, head office.

C. F. O. PERCY, of assistant general manager's department, Toronto, to be manager, Leaside, Toronto.

C. R. M. ALLAN, manager, Leaside, Toronto, to be assistant manager, Windsor, Ont.

BANK OF CANADA

	Feb. 26 1947	Feb. 19 1947
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	1,134,978,790	1,135,639,476
Rest fund	10,050,367	10,050,367
Deposits: Dom.	250,224,266	293,033,111
Chart. banks	571,402,921	496,354,367
Other	50,314,823	39,564,232
Total deposits	871,942,011	828,951,710
Liabs. pay. in sterling, U.S.A. and for'n gold currencies	958,496	958,496
All other liabs.	6,370,194	16,571,174
Total liabs.	2,029,299,857	1,997,171,223
Assets		
Sterling & for'n. exchange	958,496	958,496
Subsid. coin	392,970	389,651
Investments:		
Dom. govt. sh.	1,256,193,350	1,218,795,245
Oth. Dom. govt.	735,928,532	729,834,602
Other secs.	15,000,000	15,000,000
Total invest.	2,007,121,882	1,963,629,847
Premises	2,441,636	2,441,251
All other assets	18,384,873	29,751,978
Total assets	2,029,299,857	1,997,171,223

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TORONTO

Canadian and U.S. Fire Marshals Draft Model Hotel Safety Law

To reduce the fire hazard in Canadian and United States hotels to a minimum, and make life and property safer, the Fire Marshal's Section of the National Fire Protection Association has drafted a model hotel safety law. W. J. Scott, Ontario fire marshal, was a member of the committee in charge.

The draft law is of course to be used only as a guide in the different jurisdictions. But it is hoped it will result in every hotel being "constructed, arranged, equipped, operated and maintained in a safe condition, so as to provide for reasonable life safety from fire, smoke and panic therefrom of all persons . . . in a hotel with respect to the type of construction and materials used."

It also aims at fireproofing of structural parts, suitable number and types of exit and installation of emergency lighting systems, automatic sprinkler and fire detection systems, and deals with such things as storage and use of flammable and explosive materials.

Contrary to ordinary custom the Act uses the term "fire resistive" rather than "fireproof" as applied to construction and materials. This term has come into more common use recently because a number of serious fires have occurred in buildings which had been described previously as fireproof.

Fireproof a Misnomer

Unless the furnishings and furniture of a building are nonflammable a fire can still occur there, and cause loss of life. Accordingly the term "fireproof" is regarded as a misnomer. Thus fire-resistive construction is applied to a hotel building as meaning "construction of noncombustible materials such as to withstand without structural collapse a complete burn-out of the contents, provided that every structural part of such hotel building shall have a minimum fire resistance rating of one hour."

By fire resistance rating of one hour is meant material that will stand extreme heat up to a stated temperature, say, 1,000 deg. F., without burning, fusing or disintegrating.

Noncombustible materials are defined as steel, iron, brick, tile, concrete, slate, asbestos, wired glass, cement or gypsum plaster or other materials that will not ignite and burn when subjected to fire.

Hotels Over Two Stories

The proposed law provides that every hotel, if more than two stories in height, must be of fire-resistive construction. It is not intended to prohibit wood floor surfacing on a fire-resistive subfloor.

Barriers against the lateral passage of smoke must be provided every 150 feet and the fire marshal will have authority to order new smoke walls to be built, if and when he considers them necessary.

In all hotel buildings, all interior stairways used as exits, except stairways to a mezzanine and stairways in a building not over two stories in height, shall be enclosed so as to provide a safe path of escape from fire or smoke. They should be enclosed and equipped with self-closing doors with at least one-hour fire resistance.

At least two means of exit should be provided, remote from each other and the maximum distances to be travelled to the outside shall be not over 100 feet.

Access to all interior and outside stairways must be unobstructed and not through any room used for any purpose that might obstruct free passage such as bedroom or bathroom.

Width of Three Feet

Corridors and passageways must have a width of at least three feet and walls and ceiling must be surfaced with plaster or other approved noncombustible or fire-retardant material except for necessary wood doors and trim.

All stairways to the street likewise must be free of obstruction and the entrance plainly visible and marked to show the direction to the street.

If a stairway does not lead directly or through a protected passageway to the outside of the building, but requires travel through an open lobby for example, the lobby must be of fire-resistive construction without combustible interior finish or contents, except for usual furniture and all rooms or spaces opening into the lobby and containing combustible material must be segregated to prevent the spread of fire or smoke, and must be protected with an approved automatic sprinkler system or fire detection system.

Outside Stairs

Where outside stairs are provided every window within 10 feet must be provided with metal sash and wired glass, and all door openings must be protected with approved fire doors.

All doors and casement windows used as exits to outside stairways must open outwards.

The proposed law also requires all exits, corridors, etc., to be marked clearly with illuminated signs.

Any hotel not of fire-resistive construction three stories or more in height or any two-story hotel with 25 or more rooms above the first floor must be equipped with an approved automatic sprinkler system or an automatic detection system, if the fire marshal approves. Both systems must be regularly supervised and maintained.

Sprinkler or Alarm Systems

The law also authorizes the fire marshal to require such sprinkler or alarm systems as he may think necessary in "sample" or other rooms occupied only part time.

Every hotel must also have equipment for giving alarm to every guest in the house, and there must be a fire patrol to inspect all parts of the building at least once an hour and if there are more than 50 rooms a qualified fire warden must be employed.

The proposed law would also provide penalties for any person causing fire by smoking.

However a great deal is left to the discretion of the fire marshal in each jurisdiction both as regards operation of the hotel and the types of equipment to be installed.

It is expected that fire laws in some provinces and states may be amended along the lines suggested in the "model" law to provide greater safety for life and property.

Boston Manufacturers Mutual Fire Insurance Company

Notice is hereby given by this Company that the Department of Insurance, Canada, City of Ottawa, under date of January 28, 1947, has issued Certificate of Registry, as follows:

This is to certify that the Boston Manufacturers Mutual Fire Insurance Company having made the necessary deposit and having otherwise complied with the requirements of The Foreign Insurance Companies Act, 1932, as amended, is hereby in pursuance of a minute of the Honourable the Treasury Board dated the ninth day of January, 1947, authorized to transact in Canada the business of FIRE INSURANCE, and, in addition thereto, FALLING AIRCRAFT INSURANCE, EARTHQUAKE INSURANCE, HAIL INSURANCE, LIMITED OR INHERENT EXPLOSION INSURANCE, CIVIL COMMOTION INSURANCE, SPRINKLER LEAKAGE INSURANCE, WINDSTORM INSURANCE, and IMPACT BY VEHICLES INSURANCE, limited to the insurance of the same property as is insured under a policy of fire insurance of the company.

OTTO F. HAUCK,
Secretary.

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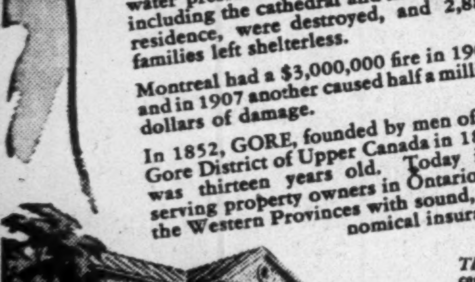
When flames swept Montreal IN 1852

ONE of the worst conflagrations before Confederation occurred in 1852, when the east end of Montreal was swept by flames.

The reservoir was being repaired, and fire fighters were hampered by lack of water pressure. Over 1,000 buildings, including the cathedral and the bishop's residence, were destroyed, and 2,886 families left shelterless.

Montreal had a $3,000,000 fire in 1901, and in 1907 another caused half a million dollars of damage.

In 1852, GORE, founded by men of the Gore District of Upper Canada in 1839, was thirteen years old. Today it is serving property owners in Ontario and the Western Provinces with sound, economical insurance.



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Life Insurance Sales Increase

January Figures Show Gain of 23% Over Last Year at $101 Millions

Life insurance sales in Canada and Newfoundland in January totalled $101.4 millions, almost 23% above the same month of 1946. Saskatchewan was the only area where sales showed a decline. Prince Edward Island where sales had been lagging for some months, showed a gain of 17% in January.

The figures issued by the Canadian Life Insurance Officers Association are for ordinary insurance just brought into force, exclusive of dividend additions, reinsurance acquired, annuities, group insurance, etc. Comparative figures follow:

Sales of New Ordinary Life Insurance in Canada and Newfoundland
(000 of $)
Sales in January

	1947	1946
British Columbia	7,774	5,348
Alberta	6,365	4,594
Saskatchewan	3,437	3,445
Manitoba	5,760	5,019
Ontario	44,075	36,440
Quebec	26,234	21,308
New Brunswick	2,797	2,190
Nova Scotia	3,677	3,115
Prince Edward Island	573	489
Newfoundland	719	624
Total for Canada and Newfoundland	101,411	82,572

Sales by Months
(000 of $)

Jan.	101,411	82,572
Feb.	......	88,225
Mar.	......	102,748
Apr.	......	104,949
May	......	105,535
June	......	104,830
July	......	106,880
Aug.	......	86,050
Sept.	......	90,682
Oct.	......	105,734
Nov.	......	110,510
Dec.	......	97,677
	101,411	1,186,392

Colonial Coach Buys DeNure Bros.

Colonial Coach Lines Ltd., a wholly owned subsidiary of Provincial Transport Co., Montreal, recently purchased the operating rights, equipment and operating facilities of De Nure Brothers, Peterborough, Ont., W. S. Hart, president and managing director of Provincial Transport Co., told its shareholders at the annual meeting last week.

These operating rights comprise all local rights between Peterborough and Port Perry, Ont.; Tweed, Actinolite and Peterborough, and Trenton and Peterborough.

Mr. Hart also stated that some of the new equipment on order at Dec. 31 for Provincial has been received and placed in service, and that the balance should be in operation for the summer season. Since January, further substantial orders for equipment have been placed for delivery in 1947 and 1948, he revealed.

BASE METALS MINING CORP. advises that sale of balance of company's treasury stock, namely, 669,286 shares has been arranged to Stuyvesant-North at 10 cents. Purchase is by firm commitment payable as follows: 200,000 shares at 10 cents, payable forthwith, 200,000 shares at 10 cents, payable by Mar. 26 and 269,286 shares at 10 cents, payable by April 26. The new board of directors follows: Arthur P. Earle, president; Frederick B. Gee, secretary-treasurer; R. G. Brown, D. W. Gordon and D. A. Keith.

Risky Cleaning Fluids Use Banned at Windsor

From Our Own Correspondent

WINDSOR—Use of furniture and woodwork cleaning fluids involving perchloric acid has been banned here under authority of the fire marshal's act, pending investigation.

Captain R. S. Shuttleworth of the fire prevention department stated a quantity of the fluid had been seized for analysis in several Windsor hotels.

Inquiries are also being made in industry to determine if any firms are using perchloric acid which has been labelled as the cause of the recent industrial explosion in Los Angeles, when 15 persons were killed and severe damage was caused.

The entire supply of cleaning fluid, some of which had found its way into private households, was taken from a hardware firm, distributing it here. Hotels have voluntarily discarded their supplies of the chemical.

Issues Warning On Inflation

At the annual meeting of the Confederation Life Association last week President V. R. Smith spoke a word of warning about the threat of inflation overhanging Canada.

The volume of money at the disposal of the public, he stated, which had increased 24% between 1935 and 1939, jumped 140% between 1939 and 1946. The contrast, he declares, gives a means of measuring the strength of the great inflationary drive menacing the country since the war began.

Danger lies in the increase in the volume of money while production of goods and services increases more slowly or not at all. Statistics show the money supply up 14.8% in 1946, while the physical volume of business index fell 13.5%. "Under these circumstances is it any wonder there has been a trend to higher prices despite retention of many price ceilings during 1946?" he asked, and continued:

"There is at the moment in Canada very widespread nervousness about the future of prices. The cost of living (though restrained then with considerable skill), rose in wartime, rose (when the fighting ceased) somewhat faster than before and is known to be rising now. The question at what level will the cost of living be stabilized in Canada? deserves and is now getting very close attention from Canadians in all walks of life."

"There will be many anxious hours before inflation stops and a level course becomes once more the order of the day. All this must temper the rejoicing even of a life insurance company president when commemorating the volume of new business; for at least temporarily, the sales of new life insurance are made easier by the same process of inflation; but it must be pointed out that this is endangering our economic system as a whole."

Alberta Plans Car Insurance Based on Manitoba Measure

From Our Own Correspondent

EDMONTON — Provincial Secretary A. J. Hooke has announced that a compulsory car insurance scheme will be introduced at this session of the legislature and that compulsory tests for some car drivers in the province will be made. At present Alberta driving licenses are issued on payment of a fee.

It is understood the plan will be modelled on the Manitoba scheme where every car driver pays an additional dollar, when obtaining a driver's license, to become automatically enrolled in the insurance plan.

The fee so paid is used to finance the "unsatisfied judgment fund," from which the victim of an automobile accident may be indemnified for personal injury, if he has obtained judgment and been unable to collect from the party at fault. While this feature may be regarded as compulsory insurance, so far as it goes, it is not compulsory automobile insurance in the ordinary sense of the term. The results, however, are much the same. In Manitoba the number of insured motorists increased from 27% of the whole to about 87%, after the legislation was passed.

Free Transfusions, Vet Aid High on Red Cross 1947 List

To provide, among other peacetime humanitarian services, a free national blood transfusion program, the Canadian Red Cross began on March 3 its 1947 appeal for $5 millions.

This is $490,000 short of the anticipated net outlay for the year but it was decided to appeal for the minimum requirements, said Dr. Fred Routley, National Commissioner.

Gross requirements are estimated at $6,241,000 or $1,241,000 in excess of the appeal objective. However, income from Red Cross hospitals and donations toward hospital work and other revenue is expected to amount to $750,000, leaving a net requirement of $5,490,000.

The Red Cross expects to budget its 1947 funds in the following way:

Free blood transfusions, $1,037,500.

Outpost Hospitals; Gross, $1,390,835; estimated income, $518,250; net requirement, $872,585. Of this $373,500 is for capital outlay for new buildings, etc.

Aid to Veterans: $1,550,183.

Other Peacetime Services: $1,122,060.

All other activities, including emergencies and contingencies: $1,141,027.

Over-all total outlay during the war was $121,091,425.09. This left a surplus of $16,760,320. In 1946, $10 millions was budgeted for this work, leaving an estimated $6 millions for war relief this year.

To clear up a misunderstanding in the minds of some, it has been pointed out that none of this money can be used for peacetime service. Under the terms of the War Charities Act, all money raised for war relief must be used for purposes arising out of, or connected with, the war.

See Better Values In Tofino Program

Lateral work on the 1,700 level on the Tofino property of Privateer Mine has been advanced 480 ft., The Financial Post is advised. The last 160 ft. was not fully sampled, as a portion of the footwall indicated that this section may be below ore grade. The vein continues strong in the face and better values are expected within the next 100 ft.

Crosscut on 1,500 level has advanced 55 ft. into the dyke and vein system. Further stripping has traced the vein-dyke shear down the hill to an elevation of 1,050 ft. and extended horizontal length between known extreme east and west exposures to 2,700 ft., with both ends open. Work is proceeding in open-cutting this section at 50-ft. intervals. Production from the Privateer Mine totalled $30,537 from 972 tons of ore milled in January.

Former Steel Plant On Sale as Surplus

MONTREAL (Staff)—A crown-owned war surplus industrial plant at Cap de la Madeleine, P.Q., formerly operated by Electric Steels Ltd. is being offered for sale, according to a recent War Assets Corp. announcement.

Consisting of 13 buildings with floor space of 150,000 sq. ft. the plant will be available for occupancy as soon as possible after April 1. Located on 27 acres of land it is served by a Canadian Pacific Railway siding. Buildings are chiefly brick, steel, and metal faced, the largest having 50,000 sq. ft. of floor space.

ELDER MINES has received payment for 25,000 shares at 85 cents, together with an additional 2,000 shares at $1. Issued capital—2,621,003 shares.

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NORSEMAN MINES has advised that by agreement Feb. 21, Federal Trading & Agency has underwritten 50,000 shares at 12½ cents and optioned 450,000 shares at 12½ cents in blocks of 50,000 shares at two-month intervals.

ASHLEY GOLD MINING CORP. reports election of following directors: Arthur P. Earle, president; Fredrick B. Gee, secretary-treasurer; R. G. Brown, D. W. Gordon, D. A. Keith and Llewelyn Chamberlin.

YESTERDAY

An umbrella damaged by wind is not enough protection from rain.

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The Fairey FIREFLY—long the standard two-seat reconnaissance fighter in the Royal Navy—is now in service with the Royal Canadian Navy and the Royal Netherlands Navy. Thus, three of the World's Navies are now equipped with this famous aircraft.

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Draft of World Wheat Agreement Leaves Wide Field for Discussion

Tabled in the House of Commons recently was a draft of the international wheat agreement to be considered in London beginning March 18. Sponsors of the agreement, the International Wheat Council, in a foreword emphasize that "the suggested draft articles are in no sense to be taken as committing Governments in any way." The Financial Post here presents highlights of the agreement, clause by clause:

The objectives:

1. To promote stability of wheat prices fair to consumers and producers alike;

2. To assure the availability of supplies adequate at all times for world consumption at reasonable prices;

3. To establish adequate world wheat reserves;

4. To avoid accumulation of burdensome surpluses;

5. To provide security for efficient producers and to encourage the use of areas unsuited to wheat production for more suitable products;

6. To promote increased wheat consumption, paying attention particularly to the nutritional programs of signatory governments.

Membership

The government of any country having a substantial interest in international trade in wheat shall be given an opportunity to become an initial signatory.

Effective Date

This agreement shall come into force on Aug. 1, 1947, or on a date to be announced by the council, provided that all four of the governments of the principal exporting countries (Argentina, Australia, Canada and the U. S.) and the governments of such importing countries, of which the Government of the United Kingdom shall be one, whose annual net imports of wheat aggregate not less than 400 million bus., have confirmed their delegates' signatures to this agreement, or:.

So soon as any three of the governments of the principal exporting countries and the governments of six importing countries, of which the United Kingdom shall be one, whose aggregate annual net imports of wheat are in the opinion of the council sufficient to ensure a satisfactory initial operation of this agreement, have confirmed their delegates' signatures.

The government of any country which considers its national security endangered as a result of an outbreak of hostilities may apply to the council for the suspension of any of its obligations.

Any country may withdraw at any time more than six/12 months after the effective date (suggested as Aug. 1, 1947,) provided (a) that the government of any one of the four principal wheat exporting countries (Argentina, Australia, Canada and the U. S.) has not by then confirmed its adherence to the agreement, or (b) that the importing countries whose governments have adhered to this agreement are countries whose annual average net imports of wheat, as estimated by the council, for the duration of this agreement are expected to aggregate less than 400 million bus.

Prices

Alternatives: A — Basic minimum and maximum export prices shall be $1.25 and $1.55 Canadian per bus. for No. 1 Manitoba Northern wheat in store Fort William-Port Arthur or Vancouver;

B—For the first three years the basic prices shall be $1.25 and $1.55 Canadian as in (A). For the remaining period the basic prices shall be $1 and $1.55.

C—For the first three years the basic prices shall be $1.25 and $1.80; for the remaining period the basic export prices shall be $1 and $1.55.

To the prices determined there shall/may at the discretion of the council, be added (4) cents per bus. on account of shortage, interest and insurance charges.

Stocks

The governments of signatory countries shall maintain crop-year-end carry-over stocks within a minimum and maximum range to be specified for each country.

When the council decides that the carry-over stocks of any signatory exporting country at the end of its current crop year are likely to equal or to exceed the maximum quantity referred to in paragraph 1, that country shall be entitled to invite the council to call upon signatory importing countries to purchase and store wheat, up to, and in so far as practicable in proportion to, the amounts to be specified, in addition to their basic import requirements. In calling upon importing countries so to purchase and store wheat, the council shall take into consideration the interests of all signatory exporting countries. Should, however, the prevailing export price exceed the equivalent of (95) per cent of the basic maximum export price, or at any other time with the consent of the council, signatory importing countries shall be free to utilize any stocks of wheat imported from signatory exporting countries.

Any signatory importing country called upon by the council to purchase wheat under the provisions of paragraph above shall be required to make such purchase within the period specified by the council.

Under conditions to be determined by the council in consultation with the International Monetary Fund, any signatory importing country shall, on balance of payment grounds, be released from its obligations under the two paragraphs above.

Stocks of any old-crop wheat in any signatory exporting country may be permitted to fall below the specified minimum (a) if the new crop together with the carry-over from the previous crop-year, is insufficient to meet domestic requirements and leave at the end of that crop-year the minimum reserve stocks specified, in which case those stocks may be reduced by the amount necessary fully to meet domestic requirements and (b) in so far as the council decides that exports from the minimum reserve stocks of that country are required fully to meet the world demand for imported wheat.

Export Programs

The council shall determine in July of each year a tentative export program . . . recognizing the principle that wheat from each signatory exporting country should find its way into its normal markets. The council may make at any time during any export-program year any revision in any export program.

In determining export allowances, the council shall be guided by all relevant considerations, including . . . the recognized principle that international trade in wheat should be distributed on a fair and equitable basis among all countries which export wheat, and that the effective operation of this agreement should not be impaired by abnormal exports from countries that have not acceded to it.

When the chairman of the council after consultation with the executive committee, finds that any signatory country has exported its export program for any export-program year, he shall immediately make a declaration to that effect. The government of the signatory exporting country concerned shall thereupon announce that the exportation of wheat from its territories shall not be permitted after seven days from the date of the chairman's declaration, and the government of each signatory importing country shall not permit the importation into its territories of wheat shipped from that exporting country during the current export-program year more than seven days after the date of the chairman's declaration.

The provisions of this article shall come into force Aug. 1, 1947, or on a date to be announced by the council, except that the export programs shall not be binding until the export price of wheat in any one/two of the four principal wheat exporting countries is less than (110) per cent of the basic minimum export price, or alternatively:

The provisions of this article shall come into operation on a date and for such period as the council may decide by a (simple majority) vote of the signatory exporting countries and a (simple majority) vote of the signatory importing countries.

Production

Subject to the provisions of paragraph 2 of this article, each signatory exporting country shall adopt such methods of production or marketing management as will maintain its crop-year-end carry-over stocks within the range to be specified.

Any signatory exporting country may exceed its specified maximum stocks provided that (a) it makes such part of that excess available for export in such periods at such special prices and on such other conditions as the council determines; or (b) it disposes of any excess within its own territories.

The signatory importing countries shall:

Import not less than the amounts to be specified;

Progressively adjust/maintain their internal prices of home-grown wheat and imported wheat to/at levels not exceeding the c.i.f. equivalent of the basic maximum export price; or

Limit their domestic production of wheat to levels not in excess of those prevailing in base periods to be determined by the council.

Sales at Special Prices

Any signatory exporting country may export wheat at special prices, below the basic minimum price, in quantities and for periods and under other conditions approved by the council, to those Governments who undertake to use such wheat for nutritional programs approved by FAO.

Finance

The signatory governments shall share proportionally to the votes which they hold in the council any expenses incurred by the council in administering this agreement.

Nylon Cord Good For Fishing Line

MONTREAL (Staff)—War Assets Corporation announced as surplus last week an item which will be of immediate interest to every householder: nylon braided cord.

Spokesmen suggest that this material, 7 million feet, available, ⅛ in. in diameter and wound on spools, be used for drapery and venetian blind cords, clotheslines and piping on house furnishings or women's clothes. If it can't serve any of those purposes, it is strong enough to be used as fishing lines.

This material was manufactured at the Kingston, Ont., C.I.L. plant for use as shroud lines on parachutes. It is now available in one color, white, at any branch office of the Corporation across Canada.

Soft Industries Stand Up Well

MONTREAL (Staff) — Those observers who are convinced that the bloom is off the early post-war boom in the "soft" or consumer goods industries will have to wait for later trade returns before they can prove their point.

They certainly got no support for their views in December DBS retail trade returns. Department store sales in that month were 16% higher than in the corresponding 1945 month. On a cumulative basis through December, 1946, department store sales, including mail order business, showed that the public's appetite for goods sold at retail was even greater. It was up 19% or $100 millions from the year 1945.

These statistics are conclusive evidence that a buyer's strike in soft goods lines didn't develop last year and statistics on a province by province basis showed that consumer purchasing power held up and was spent at higher rates than in 1945 throughout Canada. In Quebec retail sales were up 21% in 1946 from 1945; in Ontario sales at retail were up 20%; in B. C. retail sales were up a healthy 18%. In the Prairies sales were up 17% while Maritime sales were 13% higher.

Just what the year 1947 may show in this respect is a matter of conjecture. It may be that a decline in retail sales of consumers' goods has already set in but no official statistics are yet available to affirm or deny that contention. The onus of proof still rests upon those who view the 1947 outlook with a shade of pessimism.

Toronto Ad Club Gives Scholarships

Looking into the future, the Advertising and Sales Club of Toronto is going to make it possible for two Canadian University students to do post-graduate studies in business administration at the University of Toronto, specializing in marketing.

Announcing recently the award of two scholarships of $500 each, President N. Roy Perry said: "One of our objectives is to encourage the study of scientific marketing at the university level. It is hoped this gift will set the example for other contributions from business and industry for similar purposes."

Surplus revenues of educational courses run by the club provided the revenue for the grant. Last fall, a substantial sum was allotted to the Department of Economics for research in the field of marketing.

Pioneer Hi-Bred Corn Gets Canada Charter

From Our Own Correspondent

CHATHAM—With incorporation of Pioneer Hi-Bred Corn, Canada, the 21-year-old U.S. firm of that name elevates its Chatham branch to status of Canadian head office.

Pioneer will export as seed to United States about 75% of corn it will grow here. Premises expansion is seen possible. According to Commissioner William Gray of Chatham's Industrial Service Bureau, the firm will continue to use the former Jubenville premises here, but new facilities near the company's office in the new Todgham block may be planned soon.

The American company, with plants in Iowa, Illinois, Indiana and Ohio, is said to have been first to produce hybrid corn commercially and is rated among the five largest. Its founder, and until recent years active head, is New Republic's Editor Henry Wallace, once Vice-President of United States, more recently U.S. Secretary of Commerce. Pioneer Hi-Bred is still controlled by the Wallace family. General managers are James W. Wallace, U.S., and Walter Hawkins, Canada.

CONTI-MAC MINES advises that diamond drilling is to be continued on property in Dufresnoy twp., Que.

Joins R. C. Smith & Son Limited

Advertising Service Agency

EARL AIKIN

R. C. Smith & Son Limited announce the appointment of Earl Aikin to their staff as an account executive. Mr. Aikin, formerly with The Monetary Times, is well known in advertising circles in Canada and the United States.

Grain Prices

Winnipeg Grain Futures

Week to Mar. 3, 1947

Crop year from Aug. 1, 1946 High	Low		High for week	Low for week	Close Mar. 3
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
3.25¾	1.69½	May	3.25¾	2.90⅜	3.17½
2.80¼	2.11⅞	July	2.80¼	2.65⅛	2.73½
2.33	1.81½	Oct.	2.33	2.19⅛	2.20⅞

*At ceiling.

Cash Quotations

For Week

	Mar. 3 High	Mar. 3 Low	Prev. Week High	Prev. Week Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	3.25½	2.99¾	3.01⅝	2.91

*At ceiling.

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$31,948,000

City of Montreal

Serial Debentures

(1947 Canadian Currency Refunding Issue)

To be dated February 15, 1947 — To mature November 1, as shown below.

Principal, interest (first payment due November 1, 1947, thereafter half-yearly May 1 and November 1) and redemption premium, if any, payable in lawful money of Canada at the principal office of designated chartered banks in the Cities of Montreal, Toronto, Halifax, Saint John, N.B., Quebec, Winnipeg or Vancouver at the option of the holder. Debentures of each maturity subject to redemption at the option of the City on any interest maturity date prior to maturity, upon not less than 30 days' nor more than 60 days' prior notice, as a whole, or in part by lot, at principal amount and accrued interest to the date of redemption, plus, in the case of Debentures redeemed more than 12 months prior to the stated maturity date thereof, a premium of ⅛ of 1% of such principal amount for each successive full 12 months during the period commencing on the date fixed for redemption and extending to the stated maturity date of such Debentures, provided that the premium payable shall in no case exceed 2%. Coupon Debentures in the denominations of $500 and $1,000, registerable as to principal at the City Hall, Montreal.

Legal Opinion: Messrs. Sylvestre, Pelletier & Lacroix, acting for the Underwriters, and Charles Laurendeau, Esq., K.C., for the City of Montreal.

These Debentures will be direct obligations of the City of Montreal, will rank concurrently and pari passu with the other securities issued by it and, in conformity with the law, will be a charge on the immoveable property situated within the limits of the City.

Information relating to the use of the proceeds from the sale of these Debentures, the 1944 Plan of Financial Reorganization, By-law No. 1819 under which these Debentures will be issued, and the financial position of the City appears on the prospectus, copies of which are available upon request.

Schedule of Maturities, Interest Rates and Offering Prices

Date of Maturity November 1	Principal Amount $	Rate of Interest %	Offering Price
1955	1,123,000	2½	Sold
1956	1,103,000	2½	Sold
1957	1,127,000	2¾	Sold
1958	1,084,000	2¾	100.00
1959	1,077,000	2¾	100.00
1961	506,000	3	101.00
1962	1,213,000	3	101.00
1969	2,675,000	3	100.25
1970	7,904,000	3	100.25
1971	7,713,000	3	100.25
1972	5,007,000	3	100.25
1973	1,416,000	3	100.25

Plus accrued interest from February 15, 1947

It is expected that Debentures in temporary form, exchangeable for definitive Debentures when available, will be ready for delivery in the City of Montreal on February 28, 1947.

We, as principals, offer these Debentures, if, as and when issued and accepted by us, subject to the approval of all legal proceedings by Counsel for the Underwriters. Subscriptions will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close subscription books at any time without notice

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The statements contained herein are based upon information obtained from sources which we believe to be reliable but are in no event to be construed as representations by us

February 25, 1947.

Floating Weather Stations

13 Ships to Make Trans-Atlantic Air Travel Safer

MONTREAL (Staff)—With recent air crashes catching newspaper headlines, aviation men are worried about their effect on the attitude of potential customers toward air travel. But after reading all accounts of air accidents of late one fact stands out—few if any of them occurred over water. As a matter of fact it appears that the trans-Atlantic has one of the best safety records.

After July 1, this year, the North Atlantic will be safer still. That is the proposed date when the ocean weather stations will sail into operation. These stations will actually be 13 ships sent out to certain specified areas in the Atlantic. Primary purpose of the floating weather stations is to gather meteorological information. But trans-Atlantic travellers are likely to welcome the search and rescue services which they will be equipped to provide.

Plans for putting the stations into action were formulated last September at a meeting of Provisional International Civil Aviation Organization (PICAO) North Atlantic conference. It was decided then to take action on a previous suggestion that some type of stationary weather stations be established.

Nine Countries Co-operate

Operation and maintenance of the 13 ships will be a combined effort of nine countries. Canada and United States are jointly responsible for one ship and United States will pay the full cost of another seven. United Kingdom has undertaken to support two stations alone and shares the cost of another with Norway and Sweden. France will operate one and the 13th will be a joint effort of Belgium and the Netherlands. Ireland is contributing £5,000 toward maintenance costs and Portugal £1,000 per year.

It is planned to have each ship assigned to a comparatively small area. Each station actually has theoretically been established on a pinpoint. For example the Canada-United States ship has the spot at 56 deg. 30 min. N.—51 deg. 00 min. W. It was originally the idea to have ships move within a degree of their position; a 10-mile radius is likely to be the limit.

On board the ships will be experts of all kinds. Technicians will be on hand to collect the meteorological data. In addition the stations will have crews expertly trained to make a sea rescue. Ships will also be equipped with search and rescue equipment.

While the station ships can rescue a fallen plane, the best part of the work and time will be devoted to preventing accidents.

May Use Balloons

Meteorologists will make observations every three hours, test the upper air, for pressure, temperature and humidity. This job might become exciting since the upper air has to be tested even though the radar equipment fails. In that case the meteorologist goes up in a balloon. All this information will be wired to the closest shore station and retransmitted to a central office in each country. Merchant ships can also pass along any pertinent weather information to the weather stations.

Should a plane go down over the North Atlantic, the weather stations will be ready to swing into action. When the distress signal is first received, the station closest to the plane may rush to the spot where the plane is downed. If some other commercial ship is closer, the station may stay in its position and help direct the rescue by radio. According to the rules laid down, the station ships are to stay as close as practicable to assigned positions unless they must leave for rescue work.

One of the important features of the weather stations as far as rescue work is concerned is that each station will pretty well know what ships are travelling the North Atlantic and where they are. Thus they will be in a position either to go on rescue work or direct other ships.

In between routine work, station ship experts have been asked to collect any other scientific information they can. Many of the countries would like to have more detailed information on the ocean itself. In fact station ships will be expected to collect any and all facts about the air above and the water beneath. It is expected that each ship will stay on position a month at a time.

The United States already has two of these station ships in operation, under direction of the U. S. Coast Guard. It is expected the United Kingdom will use trawlers for the purpose. Argentia, Newfoundland, is the operating base for U.S. ships and it is expected that the Canada-U.S. station ship will also use this base or Halifax.

Prior to PICAO's definite decision to use mobile weather stations, it had been suggested that stationary or floating fields be set up. One of the chief sponsors of this idea was said to be the Sun Ship Co. which at one stage was prepared to manufacture the floating stations. However, this project has been shelved for the present at least.

J. G. WILLIAMS

has been appointed Comptroller and Assistant Secretary of Goodyear Tire & Rubber Co. of Canada.

Sees Govt. Polymer Corp. As New Peacetime Giant

Over $13 Millions of Industrial Building Attracted to Sarnia By Polymer—Diversity of Lines to Assure Future, Research Director

Within a few years Polymer Corp.'s production will have become so diversified that even a serious drop in the demand for one product will not markedly affect the economy of the project as a whole, E. R. Rowzee, director of research and marketing states.

According to the International Rubber Study Group, it is highly unlikely that the world will possess any substantial surplus of rubber before the end of 1948, it is said. This means that Polymer Corp. has some 22 months for further development before all-out competition between natural rubber and synthetic gets under way.

Polymer is now selling rubber at about half the price it charged during the first few months of operation. Today Polymer rubber sells at 18½c. a lb. at Sarnia, or 19½c. delivered at any rubber-processing plants in Canada. On the other hand, natural rubber, now on a free market, is costing from 23.6c. to upward of 25c. a lb. laid down at a Canadian factory. The price differential assures a large-scale use of Polymer products and assures the future of the plant, Mr. Rowzee states.

In the year and a half since the end of hostilities it has become increasingly evident that Polymer is well on its way to becoming a peacetime industrial giant, Mr. Rowzee says. It now turns out three types of butyl as against the original one. One of these is used principally for a purpose not yet publicized; the other is being used for electric wiring which requires a high resistance to ozone.

Within the next few months, the plant will be turning out two additional types of GR-S latex. One of these shows great promise for use in the foam rubber products now interesting the public. Another item soon to be placed on the market is a brand-new material to be produced in the low-temperature polymerization equipment of the butyl unit. This new material shows unusual promise for the packing and storing of citrus fruits.

Two other new types of rubber have reached the pilot plant stage and both show promise of large markets once production has begun, it is stated.

Of the raw materials available at Polymer for sale to other industries, the most important are the hydrocarbon gases. Of special interest are such materials as ethylene, butane, isobutylene, butylene and propane. Because of the supply of these items many companies are showing an interest in locating in the vicinity of the plant. Dow Chemical is planning to spend at least $10 millions on new plants, and recently Standard Chemical Co. announced plans to build a $3-million chlorine and caustic soda plant near Polymer. At least three other major industries are definitely interested in the Sarnia area.

72,000 Pairs of Silk Hosiery Snapped Up Two Hours Flat

Canadian women recently snapped up the first large postwar offering of full silk hosiery—72,000 pairs—in two hours flat. Main reason for buyer stampede—a price of $1.39 a pair.

Although bulk of buyers were bargain hunters, curiosity purchasers were out in fair numbers. Many 'teen-age girls, for instance, were buying their first pair of silk hosiery.

The shipment, obtained from a U. S. manufacturer, was distributed through the several outlets of a large department store organization. Canadian hosiery manufacturers planning to get back shortly into large-scale production of silk hosiery were far from happy about what they termed "distress selling" of U. S. merchandise in this country. One of the larger manufacturers firmly believes there will be a sizeable market here for silk hosiery made out of the stronger crepe silk thread—not the chiffon which was offered—at prices currently prevailing for nylon varieties. The bulk offering of U. S. goods at what is probably cost or less than cost price, will tend to disrupt the whole Canadian silk hosiery industry, sorely beset as it is by the problem of higher raw material cost and competition from nylon, the manufacturer said.

"Regimentation" Bill is Halted In Saskatchewan

From Our Own Correspondent

REGINA—Under heavy fire for its alleged plan to "regiment" the professions, the Saskatchewan Legislature has decided not to proceed with the measure at present.

Recommending this course, a House committee charged that publication last December of a "draft bill" represented "a deliberate attempt to undermine what we are attempting to do here." The measure would have regulated doctors', lawyers', architects' organizations and many others.

OTTAWA VALLEY TRUST CO. 1946 operations resulted in a net loss of $7,474. However, after expenses in connection with company incorporation, a deficit of $16,804 was carried forward. The company commenced active business operations on Sept. 24, 1946. At the end of 1946 value of estates, trusts and agency accounts under administration was $1,863,398. This department is being developed by a series of advertisements and distribution of pamphlets.

Total assets of $352,641 include cash of $260,311, investments in Dom. of Canada bonds and accrued interest $78,869, first mortgage and accrued interest of $6,037, fixed assets of $1,462. Liabilities comprise $2,186 in accounts payable and accrued interest, $59,190 in subscriptions to capital stock received in advance, $308,070 in capital stock, and a deficit account of $16,804.

CANADA DRY GINGER ALE, INC. net sales for the three months ended Dec. 31, 1946, were $10,497,318 ($8,656,245 for 1945 period). Net profit was $627,670 ($500,758). Net profit of the Canadian subsidiary, Canada Dry Ginger Ale, whose accounts are included in foregoing figures, was approximately 20% and 12% of consolidated net income for the periods, respectively.

1792 1947

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Loading HALIFAX

M.S. "Apollo" March 12/17 for Port-au-Prince, Haiti; Ciudad Trujillo, Dominican Rep.; La Guaira and Maracaibo, Venezuela; Curacao, N.W.I.

A Ship March 20/25 for Belize, British Honduras; Puerto Barrios, Guatemala; Port Limon, Costa Rica; Cristobal, C.Z.; Barranquilla, Colombia.

Sailings from Montreal (summer months), Saint John and Halifax (year round).

For further information, apply to Saguenay Terminals Ltd., 1760 Sun Life Bldg., Montreal. (Telephone BElair 1571)

SAGUENAY TERMINALS

Melchers Distilleries

LIMITED

BALANCE SHEET AS AT 31st DECEMBER, 1946

(Including Details of the Earned Surplus Account for the Year Ended 31st December, 1946)

ASSETS

CURRENT:			
Cash on hand and in banks		$ 44,167.21	
Accounts Receivable	$ 120,558.35		
Less: Reserve for Doubtful Accounts	2,000.00	118,558.35	
Inventories of Matured and Unmatured Spirits, Raw Materials, Manufacturing and Other Supplies, valued at not more than cost		1,557,934.42	
Cash Surrender Value of Life Insurance Policy		1,606.24	$1,722,266.22
DEFERRED CHARGES:			
Unexpired Insurance and Taxes and Other Prepaid Items			5,854.07
REFUNDABLE PORTION OF EXCESS PROFITS TAX			351,951.00
FIXED:			
Land, Buildings, Machinery and Equipment, at depreciated replacement values as appraised by the Canadian Appraisal Company, Limited in December 1936, with subsequent additions at cost		1,499,632.43	
Less: Reserve for Depreciation		610,956.86	888,675.57
TRADE MARKS, FORMULAE, PATENTS AND GOODWILL			1.00
			$2,968,747.86

Approved on behalf of the Board:
V. MARCHAND
HENRY N. CHAUVIN } Directors.

LIABILITIES

CURRENT:				
Accounts Payable and Accrued Liabilities			$ 332,988.54	
Deposits			38,984.24	
Taxes Payable			285,313.40	$ 657,286.18
RESERVE FOR CONTINGENCIES				40,000.00
CAPITAL STOCK:				
Authorized and Issued—				
125,000 Shares 6% Cumulative Participating Preferred, par value $10.00 each			1,250,000.00	
62,500 Shares Common, No Par Value			250,000.00	1,500,000.00
DEFERRED SURPLUS—REFUNDABLE PORTION OF EXCESS PROFITS TAX				
Balance at Credit, 1st January 1946			346,252.00	
Add: Additional Refundable Portion of 1942 Tax resulting from the adjustment by the Income Tax Department of the Company's 1942 taxes			5,699.00	
Balance at Credit, 31st December, 1946				351,951.00
EARNED SURPLUS ACCOUNT:				
Balance at Credit, 1st January, 1946			188,552.07	
Add: Reversal of a portion of the amount provided for depreciation in the year 1942, less adjustment of income and excess profits taxes resulting therefrom (adjustment arising from the assessment by the Income Tax Department of the Company's return for 1942)		$ 4,445.43		
Profit on sale of investment securities		25.00	4,470.43	
			193,022.50	
Deduct: Net book value of fixed assets replaced or scrapped in 1946			11,135.94	
			181,886.56	
Add: Profit from Operations for the year ended 31st December, 1946		822,830.67		
Deduct: Provision for depreciation	$ 95,206.55			
Provision for Income Tax and Excess Profits Tax	415,000.00	510,206.55		
Net Profit for the year 1946	312,624.12			
Less: Dividends paid for the year ended 31st December, 1946 on the Preferred shares: 60 cents per share		75,000.00	237,624.12	
Balance at Credit, 31st December, 1946				419,510.68
				$2,968,747.86

NOTES—Commitments made by the Company as at 31st December, 1946, for the erection of a warehouse and the purchase of new equipment totalling approximately $233,000.00 are not reflected in the above balance sheet.
—Subject to the provisions of the Supplementary Letters Patent of the Company:
(a) $154,801.05 of the above Earned Surplus may be applied in payment (but only if, as and when declared by the Board of Directors) of the 3% non-cumulative preferential dividends on the Preferred Stock.
(b) $189 013.18 of the above Earned Surplus may be distributed, in the discretion of the Board of Directors, as participating dividends to the holders of the preferred and common shares on a share basis.

AUDITORS' REPORT TO THE SHAREHOLDERS

MELCHERS DISTILLERIES, LIMITED, Montreal

We have examined the books of account and financial records of Melchers Distilleries, Limited for the year ended 31st December, 1946, and have received all the information and explanations required by us.

The Inventories of Spirits, Raw Materials and Supplies on Hand have been certified to be correct by responsible Officials of the Company.

The Dominion Income Tax Department has intimated to the Company that in computing the amount of profits to be assessed for the year 1943 and for subsequent years, it proposes to disallow as deductions from taxable income a substantial portion of the amounts provided for depreciation in those years. The liability for taxes as shown on the above Balance Sheet does not include any provision for possible taxes that may be payable in this connection.

Subject to the foregoing we certify that, in our opinion, the above Balance Sheet as at 31st December, 1946, sets forth a true and correct view of the financial position of the Company at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

Montreal, 27th January, 1947

P. S. ROSS & SONS, Chartered Accountants.

To the Shareholders:

Your Directors submit herewith the Eighteenth Annual Report of your Company covering its operations during the fiscal year ended December 31st, 1946.

The Financial Statements show very gratifying results. The Net Profit of $312,624.12 after deducting Depreciation and Income and Excess Profits Taxes is very much greater than that of last year. The large demand for the Company's products, the low selling and sales promotion expenses and the reduction in taxation all contributed towards the increased net profit.

The Balance Sheet reflects a satisfactory financial condition and in spite of substantial capital expenditures of $327,590.60 for new buildings, equipment, etc., the working capital position has been maintained at substantially the same figure as last year.

Due to non-production of beverage spirits during the war years, your Company was obliged to continue to ration certain brands in order to protect its inventories of maturing whiskies. It was able, however, to accept and fill all orders for gins. Moreover, during the period of the general bottle shortage, it was able to fill all orders due to its large inventories of bottles.

Production since April 1st, 1946, has been on a 30% basis only, due to further restrictions of the Federal Government. In spite of this, however, your Company has been able to maintain its inventory position.

In view of the large increases in whisky values and in the replacement values of buildings, machinery and equipment, your Directors have greatly increased the amount of fire insurance carried and believe that your Company is amply protected in this respect.

In your Directors' Report of last year, reference was made to the replacement of the steam plant. The new automatically-operated oil-burning boilers were installed during the year and are now in operation although there remains some incidental equipment still to be installed. This replacement was necessitated by the relentless forcing of our old equipment for the production of the maximum of war commodities.

Your Company has under construction an additional maturing warehouse in order to provide for future expansion. This, of course, will entail the outlay of additional capital.

Labour relations between the Company and its employees are amicable and a contract with the union was signed on November 22nd, 1946 for the period of one year.

Shareholders are reminded that it is in their own own interest to encourage the purchase of their Company's leading brands:

OLD KEG Canadian Rye Whisky
THREE CASTLES Extra Special Liqueur Whisky
LONDON CLUB London Dry Gin
GOLD CROSS Finest Canadian Geneva Gin.

Your Directors wish to take this opportunity of expressing their appreciation for the faithful work of the officials and employees of the Company during the year just closed.

Respectfully submitted,
On behalf of the Board of Directors,
V. MARCHAND
President.

Montreal, P.Q.
February 26th, 1947.

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Unlisted Mines

Approximate quotations, 3 p.m., March 3, subject to confirmation:

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abenakis	.05	.07	Dom Mal	.02	.03	Manterre	.05	.07	Payne	.35	.38
Advance	.06	.09	Dona Pat	.03	.04	Marbenor	.21	.23	Phelps	.03	.05
Alcan	.04	.05½	Durham	.40	.43	Marquette	.03½	.05	Pinnacle	.03	.05
Alexander	.09	.11	Doris	.22	.25	Mar Bird	.08	.10	Poona Go	.02	.04
Aljo	.02½	.03½	Dulama	.15	.17	Mary Ann	.06	.08	Presdor	.03½	.04½
Ama Kir	.12	.14	Echo Indin	.07	.09	Mat Con	.28	.32	Privateer	.53	.58
Anna'que	.04	.06	Electra	.08	.11	Mate Yel	.06½	.08	Quest	.19	.23
Argonaut	.07	.09	Elmac	.11½	.13	Metalore	.04	.05	Rajah RL	.10	.12
Audley	.02	.04	Erin Kirk	.03	.05	Mic of Cn	1.60	1.85	Rambull	.03	.04
Aurlando	.04½	.06	Flicka	.12	.15	Miles RL	.18	.21	Randona	.06½	.08
Aurora Y	.31	.35	Gilbec	.01	.03	Mink	.10	.12	Raym Tib	.05	.07
Auterra	.03	.05	Goodrock	.02½	.03½	Moffat H n	.02½	.03½	Rebair	.28	.30
Barb L n	.04	.06	Gor Lebel	.08	.10	Mohawk P	.02	.04	Redruth	.03½	.05
Blondor	.04½	.05½	Gov Gold	.05	.08	Murbell	.02	.03	Redwood	.04	.05
Blue Grass	.04	.06	Grnd Chil	.70	.85	Murmac	.20	.23	Richgroup	.08	.12
Bouzanne	.11	.14	Greenlee	.11	.14	McCuaig	.09	.11	Rhyolite	.04	.05
Bourl Cent	.07	.09	Gwilliam	.07	.08	McManus	.10	.12	Rugged RL	.07	.11
Bradnor	.05	.08	Halden	.15	.18	Nat Mal	.03½	.05	Rupununi	.38	.40
Br Breest	.04	.06	Habitant	.09	.11	Nayb '45	.48	.52	Russet	.19	.21
Bravo	.03½	.04½	Harp Mal	.03	.04	Nereco	[illegible]	.22	Salmita	.21	.24
Brig RL	.07	.09	Hayes Cd	.02½	.03½	New Aug	.08	.09	Santiago	.26	.30
B McDade	.65	.70	Hornfault	.13	.15	Newcor	.55	.60	Sepha	.04	.06
Burley Po	.02	.03	Hugh PP	.08	.09	New Mal	.03½	.05	Sheldon	.27	.29
Camlaren	.06	.08	Independ	.09	.11	Nic Off	1.75	2.50	Skyn Lk	.06	.08
Captain	.07	.09	Indyke	..	.07	Norbeau	.68	.72	Sovereign	.17	.19
Carlmac	.09	.13	Joannes D	..	.04	Norcourt	.11½	.13	Steeber	.02	.03
Carricona	.03½	.04½	Kamlac	.23	.25	Norford	.06	.08	Sun Bear	.06½	.08
Cassidy	.11	.13	Ken-Bay	.07	.08	Normar	.13	.15	Thornhill	.05½	.06½
Cen Mani	.08½	.10	Kencour	.04	.06	Nortyne	.04	.07	Tiffany	.04	.06
Cock RL	.06½	.07½	Kenda Pe	.21	.24	Novele P	.09	.11	Tobico	.02½	.03
Columbier	.06	.08	Kenroy	.03	.05	Obalski	.06	.08	Tovarich	.02	.03
Con Chib	.28	.32	Lk Expa	.10	.11	Do., '45	.12	.14	Val d'Bel	.06½	.07½
Con Cop	.17	.19	Lar-Add	.07	.09	Obaska	.21	.23	Vincent	.37	.42
Courageo	.18	.20	La Salle	.16½	.18	Oklend	.12	.14	Vinray	.19	.21
Craibbe	.19	.21	Lavalie	.11½	.18	Olivet	.02½	.03½	Virginia	..	.13
Croydon	.04	.06	Legardo	.02	.04	Opemiska	.19	.22	Wesley	.03½	.04½
Cuyuni	1.20	1.30	Lennie	.11	.13	Orpit	.04	.06	West RL	.05	.07
Derlak	.04½	.05½	Lengnora	.08	.10	Ortona	.07	.08	Wilwood	.03	.05
Despina	.28	.32	Louvore	.02	.03	Pascalis	.24	.27	Wingait	.18	.20
De Sant n	.09	.11	Major Oil	.05	.07	Peg Tan	1.85	2.00	Yel'knife	1.85	1.90
Dexter	.40	.45	Mallen RL	.08½	.09½	Pelangio	.08	.09	Y Davids	.24	.28

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Plaxton, McDonnell & Co., Kamm, Garland & Co.)

March 3, 1947

	Bid	Ask		Bid	Ask
Allens Toronto units	39.00	....	Laprairie com.	6.00	....
Anglo Can. Telephone A	11.75	12.50	Laprairie pfd.	66.00	....
British Mortgage & Trust	167.00	....	Loblaw Groc. Inc.	21.25	22.25
B. C. Sugar	91.00	94.00	London & West. Trust	169.00	....
Canadian Airways	2.50	3.00	Manufacturers Life Ins.	310.00	....
Can. Ingersoll Rand	64.00	67.00	Midland Loan & Svgs. $10	19.00	....
Can. Investors Corp.	7.50	8.50	Monarch Life 30% paid	93.00	....
Canadian Motor Lamp A	11.75	12.50	Monarch Mtge. units	3.75	4.75
Can. Silk Products, A	30.00	32.00	Montreal Island Power pf.	....	38.00
Can. West. Nat. Gas com.	50.00	....	Montreal Trust Co.	83.00	....
Can. West. Nat. Gas pfd.	106.00	108.00	National Drug & Chem., com. new	9.00	9.75
Capital Trust Co. $100 par	82.00	....	National Drug & Chem., pfd. new	13.50	14.25
Capital Wire Cloth pfd.	23.00	....	National Drug & Chem., com. old	10.25	11.25
Cawthra Apts. units	4.75	....	New Brunswick Telephone	13.00	15.00
Chase, A. W. units	36.00	....	Ont. Tobacco Plant units	60.00	....
Chatco Steel com.	2.75	3.50	Paramount Kitchener units	55.00	....
Chatco Steel pfd.	8.00	8.75	Peller Brewing com.	9.00	10.00
Colonial Steamships com.	75.00	81.00	Peller Brewing pfd.	22.00	23.50
Commercial Finance com.	12.50	14.00	Provincial Bank of Can.	15.25	16.25
Commercial Life 10% paid	7.00	....	Prudential Trust	9.50	11.50
Commonw'lth Inter. Corp.	3.65	3.96	Sawyer Massey com.	.75	1.25
Confed. L. Assoc. 30% pd.	150.00	....	Seiberling Rubber com.	14.00	15.50
Continental Life 20% pref.	41.00	45.00	Sincen. McNaughton Tugs	2.25	....
Cooksville com.	7.50	....	Sherbrooke Trust	135.00	....
Cooksville 1st pref.	75.00	....	Sovereign Life Assce. 25%	36.00	....
Cooksville 2nd pref.	40.00	....	Standard Fuel 4% pfd.	48.00	50.00
Detroit Inter. Bridge new	13.00	14.50	Standard Fuel com.	3.00	5.00
Dover Industries Ltd.	12.50	13.50	Sun Life Assce.	470.00	490.00
Dunlop Tire pfd.	25.00	26.00	Third Can. Gen. Inv.	3.90	4.10
Empire Life Ins. 25% pd.	17.00	19.00	Toronto Carpet pfd.	98.00	....
Fed. Found. & Stl. new c.	1.60	2.00	Toronto General Ins.	6.25	....
Foreign Power Sec. pfd.	12.00	14.00	United Farmers Co-op.	3.00	....
Galt Brass com.	28.50	....	United Steel A pfd.	25.50	27.00
Goderich Elev. & Trans.	16.00	16.75	University Tower	7.00	....
Great Lakes Power pfd.	114.00	....	Waterloo Mfg. com.	7.75	9.00
Great West Life	405.00	425.00	Waterloo Trust & Svgs.	124.00	....
Guardian Realty pfd.	37.00	....	Western Assurance com.	64.50	67.50
Guaranty Co. of N. Amer.	385.00	....	Western Grain com.	1.80	2.20
Guelph and Ont. Svgs. $50	57.00	....	Western Grain pfd.	35.00	37.00
Gurney Foundry pfd.	3.50	4.00	York Trading com.	10.00	....
Hart Battery com.	8.75	9.75			
Interprovinc'l Brick A pfd	35.00	....			
Interprovinc'l Brick B pfd.	14.00	....			
Lambton Ln. & Inv. $50 par	75.00	....			

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Bevreages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.3	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	140.0	128.1
Low	69.7	51.6	61.3	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1

Toronto Stock Exchange Index

	20 Indust.	30 Golds	10 B.M.	15 W.O.
Mar. 3	178.45	112.50	89.88	26.05
Mar. 1	.....	.....	.....	.....
Feb. 28	178.50	113.18	90.65	26.57
Feb. 27	178.76	113.27	90.99	26.40
Feb. 26	178.06	109.75	89.46	26.54
Feb. 25	179.74	111.21	90.27	27.07
Month ago	179.15	110.14	92.16	23.07
Year ago	185.80	138.31	99.08	30.34
1946-47 High	207.83	147.31	108.20	33.69
1946-47 Low	167.06	91.36	76.13	20.12

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
Mar. 3	77.9	126.5	110.3	342.50	73.83
Mar. 1	...	....	....	.....	.....
Feb. 28	78.3	126.9	110.7	343.50	73.42
Feb. 27	78.4	126.4	110.4	342.92	73.23
Feb. 26	78.0	126.2	110.1	339.40	73.82
Feb. 25	78.3	127.5	111.1	350.23	74.11
Month ago	76.6	126.2	109.7	351.18	73.10
Year ago	78.6	129.9	112.8	316.76	116.05
1946-47 H.	83.9	149.4	126.7	410.80	118.56
1946-47 L.	71.3	115.7	101.0	280.76	68.83

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 3	179.43	50.28	36.70	64.43
Mar. 1	179.29	50.54	36.84	64.86
Feb. 28	178.90	50.39	36.81	64.73
Feb. 27	178.31	50.77	36.94	64.88
Feb. 26	177.22	50.30	36.65	64.28
Feb. 25	179.31	51.10	36.94	65.07
Month ago	181.92	52.06	37.01	65.97
Year ago	190.49	62.23	39.41	71.70
1946-47 High	212.50	68.31	43.74	79.44
1946-47 Low	164.20	45.69	33.47	59.64

Mining Stocks

Week Ending February 28

Oil Stocks

* Paid in 1944. * N. Y. Funds. † Paid in 1945. s Extra. ■ Sup. appl. F. E. C. B. ‡ Paid in 1946. ‡ Capital Repayment. ▲ Dividend deferred. § Paid or payable in 1947.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Mar. 3	136,900	1,077,000	90,343	1,000,000
Mar. 1	......	....	......	400,000
Feb. 28	164,500	1,287,000	90,734	900,000
Feb. 27	191,200	1,426,000	74,995	1,240,000
Feb. 26	152,900	1,366,000	91,820	1,660,000
Feb. 25	265,400	1,860,000	62,865	1,640,000

STOCKS NOT TRADED THIS WEEK

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	Feb. 28 Bid	Feb. 28 Ask
Mon. Life 30% pd.	12%	87	93½	..
Mont. Is. Pr.	...	20	..	..
Montreal L'n	a1.25+.25‡	45	..	..
Moore Corp. p. (B)	▲7.00	432	426	450
Morrison Brass	...	3½	3½	4
Murphy Paint	5.50	105	..	..
National Trust	.90	27	27	27½
Neon Prod. of W.C.	.60	12½	12½	14
N. Star Oil p.	.35+§.08½	6	6	..
Nor. Can. Mtge.	§.40	15	15	20
N. S. L. & Pr.	6.00	104	108	..
York Knit. 1 pf.	7.00	173	150	..
Zellers 5% pf.	1.25	27	27	27½

*Paid in 1945. aPaid in 1946. ‡Extra. xOn arrears. †Paid in 1944. ▲N. Y. funds. §Paid or payable in 1947. •Dividend deferred.

Mining Stocks

Alta.	...	.11½	..	..
Beaucourt	...	.35	.33½	..
Bobs Lake	...	.20	..	.17
Bouzan	...	.12	.10	.12
Brazil Gold	...	.05	.03½	..
B.R.X. Can.	...	.12	.12	.12½

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Mar. 4, 1947

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105¼	105⅝
3	Mar. 1954	105¼	106⅛
3	Nov. 1956	105⅛	106¼
3	May 1957	104⅞	105¼
3	Jan. 1959	104¾	105¼
3	June 1960	104½	105¼
3	Feb. 1962	104½	105¼
2¾	Mar. 1948	100¾	101¼
1½	Mar. 1948	100⅜	101⅛
1½	Nov. 1948	100⅜	101
1½	Nov. 1950	100¼	101¼
3	Oct. 1963	104½	105⅛
3	Sept. 1966	104½	105¼
1½	Nov. 1949	100¼	101
Dom. of Canada Bonds			
2¾	Nov. 1951	102⅞	103¼
4	Oct. 1952	101⅜	102¼
3¼	Feb. 1952	104⅜	105¼
3	Oct. 1952	103¼	103⅞
3	June 1955	104	104⅜
4½	Nov. 1957	102¼	102⅞
3	June 1958	104⅜	105¼
4½	Nov. 1958	104½	105¼
4½	Nov. 1959	107	107½
3¼	June 1966	106	106⅝
3	Perpetual	103⅜	104⅜
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	104	105
4½	Sept. 1951	*111¼	*113
4½	Feb. 1956	118¼	119⅜
4½	July 1957	*119⅜	*121¼
3	Feb. 1953	101¼	102⅜
4¾	June 1955	118⅜	120¼
5	Feb. 1954	117¼	118⅜
5	Feb. 1970	113⅜	115¼
5	Oct. 1969	*112⅜	*114¼

%	Due	Bid	Ask.
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	*119¼	*121¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962	*106¼	*108¼
4	Jan. 1962	*117½	*119½
Montreal Harbour Com.			
5	Nov. 1969	*112⅜	*114¼
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1956	103¼	105¼
4½	Apr. 1961	121	123¼
5	Jan. 1960	124½	127
2¾	June 1966	98	100
Nova Scotia:			
3	Jan. 1952	104	105¼
3½	June 1956	105⅜	107¼
3½	Nov. 1950	105¼	107
4½	Nov. 1960	122	125
5	Mar. 1960	127	129½
3	June 1958	102⅜	104¼
Ontario:			
3½	Nov. 1951	103¼	105
3½	May 1955	106	107½
4	June 1962	119	121
4½	June 1950	108¼	109⅜
4½	Jan. 1962	124	126½
5	Oct. 1948	104⅜	106
5	Dec. 1960	130	133
2¾	July 1976	100	101½
Ont. Hydro Commission:			
3½	Feb. 1953	104	105¼
4	Aug. 1957	115¼	117⅜
2¾	June 1971	100	101½

%	Due	Bid	Ask
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3½	Mar. 1959	106¼	107¼
4	Nov. 1952	107	108½
3¾	Feb. 1955	107¼	108⅜
4½	Aug. 1958	114½	116
4½	Jan. 1963	121	122½
3	Feb. 1962	103⅜	105¼
Alberta:			
3½	June 1964	101⅜	103⅜
3½	June 1959	102⅜	105¼
3½	June 1972	103¼	105¼
British Columbia:			
4	Dec. 1957	113⅜	116¼
4½	Jan. 1951	111⅜	114¼
4½	Oct. 1953	114⅜	117¼
5	Apr. 1954	118⅜	121¼
2¾	Apr. 1966	99¼	101¼
5	Sept. 1953	114⅜	117¼
Manitoba:			
4	Dec. 1957	113¼	115⅜
4½	Dec. 1956	116⅜	119¼
5	Dec. 1958	125¼	127⅜
5½	Oct. 1955	118⅜	121¼
Saskatchewan:			
4	Sept. 1954	101¼	103¼
4	Nov. 1960	104¼	106¼
4½	Oct. 1951	107⅜	110¼
4½	Mar. 1960	112⅜	115¼
5	Aug. 1958	114¼	117
5	Dec. 1959	117⅜	120¼
5½	Oct. 1952	109⅜	112¼
6	Mar. 1952	110⅜	113¼

*N. Y. funds.

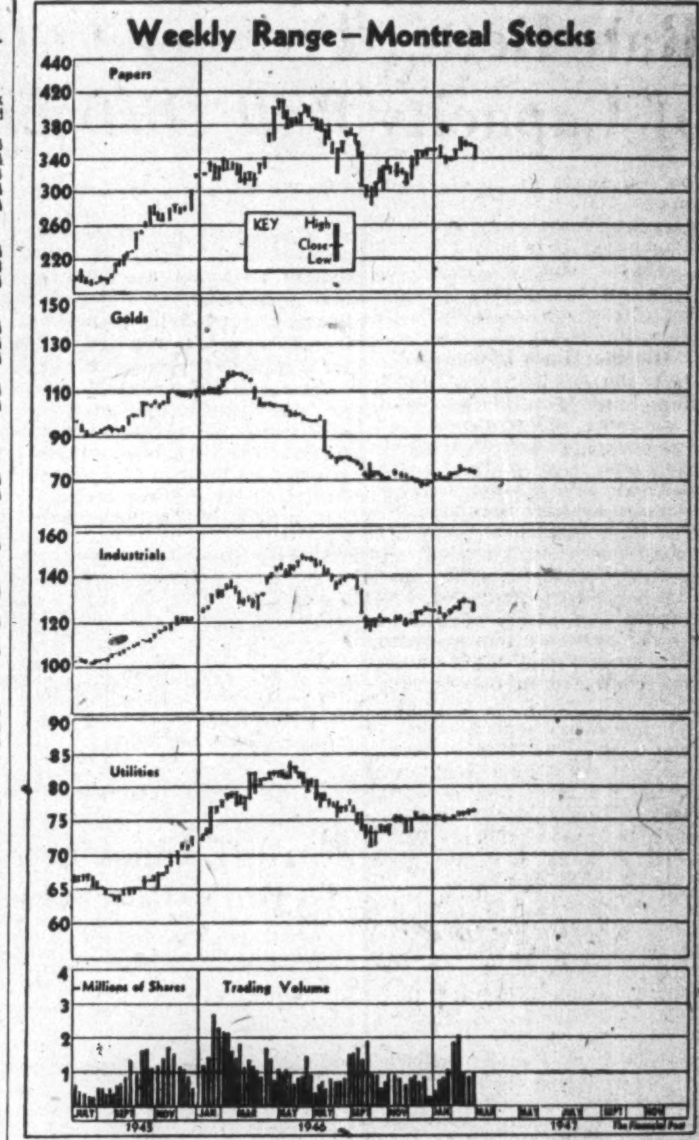
Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

March 4, 1947

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev Week Bid
▲Alg. Cen.H.B.R.	5	'59	69	72	72
†Assoc. Tel. & T.	5½	'55	106	...	106½
B. C. Elec.	3½	'67	100½	102½	100½
†Calgary Pwr.	5	'60	102½	...	102½
♦Do.	5	'64	103½	...	103½
♦Gatineau Pr. A	3½	'70	103½	105½	103½
*Do., B	3	'70	103½	...	103
Gt. Lakes Pwr.	4½	'56	102	104½	102
Do.	5	'57	101½	104	101½
*Int. Hydro-El.	6	'44	100½	103	100½
L. St. Law. Pr.	3½	'65	102½	104½	102½
Mtl. L. H. & Pr.	3½	'56	101	103	101
Do.	3½	'63	102	104	102
Do.	3½	'73	99½	101½	99½
†Mtl. Tramways	5	'51	100	102½	100½
†Do.	5	'55	100	102½	100½
Nat. Lt. & Pr.	4½	'61	102	...	102
Otta. L. H. & P.	4	'57	101½	...	101½
†Power Corp.	4½	'59	104½	...	104½
Quebec Pwr.	3	'62	100	102	100
St. Maurice Pr.	3½	'70	101	103	101
Shaw. W. & Pr.	3	'71	100	102	100
Do.	4	'69	104	...	104
Union Gas	4½	'50	100½	103	100½
†United Secs.	3	'52	99½	...	99½
Wpg. El.	3½	'71	102	104	102
Industrial and Realty Issues:					
†Abitibi Pr. P.	5	'65	99½	101½	99½
Acadia-Atlantic Sugar	3½	'65	103	103½	103
Algoma Steel	5	'48	100½	103	100½
Aluminum Co.	3½	'74	105	...	105
†B. C. Pulp & P.	6	'50	100½	...	100½
†Do.	7	'50	100½	...	100
Brown Co.	5	'59	102½	105	102½
Burns & Co.	4	'63	100	102½	100
Can. Celanese	3½	'59	102	...	102
Canada Electric	3½	'67	100½	...	...
Can. Steamship	3½	'57	101½	103½	101½
Can. W. Lum.	4	'62	101½	104	101½
C. P. R.	3½	'51	103½	...	103½
Do.	4	'49	104½	...	104½
C. P. R.	4	Perp.	108	...	108
†Consol. Paper	3½	'67	101	103	101
Dom. Coal	4½	'52	100½	103	100½
Dom. Scot. Inv.	3	'64	97	...	97
Dom. T. & Ch.	3½	'57	103	...	103
Dom. Textile	3½	'59	105	...	105
Dom. Woollens	5	'64	102½	104½	102½
†Donnacona P.	4½	'56	100½	103	100½
Dryden Pap.	4	'61	101½	104	101½
†Federal Grain	4	'64	102½	104½	102½
Gurney Fdry.	5½	'49	...	...	104
Ham. Cotton	3½	'59	100½	103	100½
Imp. Tobacco	2¾	'66	100	102½	100
Inter-City Bak.	5½	'48	99½	...	99½
Indust. Accept.	3½	'66	100½	...	100½
Ins. Ex. Bldg.	5	'51	98½	...	98½
Bowater's Nfld. P. & P.	3½	'68	101	103	101
*Inv. Bd. & Sh.	5	'47	97	...	97
Lake St. J. P.	5½	'61	102	104½	102
Do.	5	'61	101½	104	101
Legare	6	'61	100½	...	100½
MacMillan (H.R.) Export	4	'65	102	104½	102
Maple L. M.	3½	'63	102½	104½	102½
Massey-Harris	3	'66	99	101½	99
McColl-Fron.	3	'71	99½	101½	99½
McCormicks	4	'52	101	...	101
Mercury Mills	4	'59	101½	104	101½
Moirs Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	97	100	97
N. S. Stl. Coal	3½	'63	98½	101	98½
Price Bros.	3½	'66	102	104	102
Silv. Dairies	4	'60-64	101	...	101
Do.	4	'71	99	102	99
Simpsons, Ltd.	3½	'60	102½	...	102½
Toronto Elevat.	3½	'66	101½	...	101½
United Corp.	4	'58	100½	...	101
†Western Grain	5	'63	96½	99½	96½
York Kt. Mills	3½	'71	9½	102	99½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
▲Payable in Can. or U. K.



Dividends Declared

	This payment $	Date payable	Date of record
Acadia-Atla. Sug. A	.25	Apr. 1	Mar. 10
Do., 5% pf.	1.25	Mar. 15	Feb. 20
Acme Glove	.25	Apr. 1	Mar. 15
Am. Cyanamid	†.25	Apr. 1	Mar. 4
Ashdown Hdwre	.15	Apr. 1	Mar. 10
Barber-Ellis	.25	Mar. 15	Feb. 28
Beatty Bros., A	.50	Apr. 1	Mar. 15
Do., B	.50	Apr. 1	Mar. 15
B'ver Lumber 1.40 p.	.35	Apr. 1	Mar. 10
Do., 7% pf.	1.75	Apr. 1	Mar. 10
Beld.-Cort.	1.50	Apr. 1	Feb. 28
Do., 7% pf.	1.75	Apr. 1	Feb. 28
Belgium Glove	.15	Apr. 1	Mar. 14
Do., pref. 5%	.25	Apr. 1	Mar. 14
Bell Telephone	2.00	Apr. 1	Mar. 15
Belleterre Que. M.	.10	Mar. 15	Feb. 28
Brand. & Mill. A	*.03	Apr. 1	Mar. 1
Brazilian Tract., pf.	1.50	Apr. 1	Mar. 14
Brew. & Dist. of Vanc.	*.60+.30	May 20	Apr. 21
B. A. Bank Note	.25	Mar. 15	Feb. 15
Br. Amer. Oil	.25	Apr. 1	Mar. 5
B. C. Silk Mills	.12½	Mar. 15	Feb. 28
Do., pf. A	.37½	Mar. 15	Feb. 28
Bruck Silk Mills	.30	Mar. 15	Feb. 14
Burlington Steel	.15	Apr. 1	Mar. 10
Cal. & Ed. Corp.	.05	Apr. 15	Mar. 8
Can. Pac. Rly.	.75	Mar. 31	Feb. 24
Cen. Pat. Gold M.	.02	Mar. 31	Mar. 1
Cinzano Ltd. A	4½d	Mar. 15	Mar. 1
Do., pf. 5½%	2¾%	Mar. 31	Mar. 14
Chart. Trust	1.25	Apr. 1	Mar. 15
Can. Foreign Inv.	.75	Apr. 1	Feb. 28
Do.,	.75	July 1	May 30
Can. Brew.	.37½	Apr. 1	Feb. 28
Can. Bread 4½% p.	1.12½	Apr. 1	Mar. 5
Do., 5% p.	.62½	Apr. 1	Mar. 5
Candn. Car & Fdry.	.20	May 22	Apr. 29
Do., A	.25	May 22	Apr. 29
Candn. Celanese	.50	Mar. 31	Mar. 12
Do., pref.	1.75	Mar. 31	Mar. 12
Can. Cr. Stone	.10	Mar. 20	Mar. 1
Can. Perm. Mtge.	2.00	Apr. 1	Mar. 15
Can. Cottons	.45	Apr. 1	Feb. 28
Can. Found. & Forg., A	.37½	Mar. 15	Mar. 1
Can. Ingers'l-Rand	.75	Mar. 27	Mar. 14
Can. West. Lumber	*.12	May 1	Apr. 3
Can. Food Products	.18¾	Apr. 1	Feb. 28
Do., pf.	.25	Apr. 1	Feb. 28
Do., pf. 4½%	1.12½	Apr. 1	Feb. 21
Can. Malting	.50	Mar. 15	Feb. 15
Can. North. Pwr.	.15	Apr. 25	Mar. 20
Do., 7% pf.	1.75	Apr. 15	Mar. 20
Can. Gen. Elect.	2.00	Apr. 1	Mar. 15
Candn. Oil	.20	May 15	May 1
Do., 5% pf.	1.25	Apr. 1	Mar. 20
Do., 8% pf.	2.00	Apr. 1	Mar. 20
Candn. Wireb'd	*.37½+.50	Apr. 1	Mar. 1
Can. Cement	.32½	Mar. 20	Feb. 21
Cockshutt Plow	.25	June 2	May 3
Do.,	.25	Dec. 31	Nov. 1
Com. Alcohols	.05	Apr. 15	Mar. 31
Do. 8% pf.	.10	Apr. 15	Mar. 31
Col. Steamships	5.00	Mar. 15	Feb. 6
Cons. Bakeries	.25	Apr. 1	Mar. 6
Cons. Litho.	.19	Mar. 31	Feb. 28
David & Fr., A	.25+.25	Mar. 31	Mar. 15
Dist. Corp. Seag.	.15	Mar. 15	Feb. 24
Dom. Dairies 5% pf.	.43	Apr. 15	Mar. 31
Dom. Malt	.25	May 1	Mar. 31
Do.	.25	Aug. 1	June 30
Do., 5% pf.	1.25	May 1	Mar. 31
Do.	1.25	Aug. 1	June 30
Dom. Tar & Chem.	.25	May 1	Apr. 1
Do., pref.	.25	Apr. 1	Mar. 1
Dom. Stores	.32½	Mar. 15	Feb. 15
Dom. Textile	1.25	Apr. 1	Mar. 5
Do., pref.	1.75	Apr. 15	Mar. 15
Donna. Paper	.50+.25	Apr. 1	Mar. 1
Do., 4½%	1.12½	May 15	Apr. 15
Economic Invest.	1.20	Apr. 1	Feb. 28
Eddy Paper, A	.25	Mar. 15	Feb. 15
Electrolux	†.40	Mar. 20	Feb. 24
Famous Players	.20+.05	Mar. 22	Mar. 8
Fed. Fire Ins.	1.00	Aug. 15	Aug. 12
Fanny Farmer	.37½	Mar. 31	Mar. 15
Fed. Fire Ins.	1.00	Aug. 15	Aug. 12
Fed. Grain, 6½% pf.	9.25	Mar. 15	Feb. 28
Foothills Oil	.12½	Apr. 1	Mar. 15
Foundation Co.	.35	Apr. 22	Mar. 31
Fraser	.50+1.00	Apr. 25	Mar. 29
Galt Brass	1.50	Mar. 25	Mar. 1
Gatineau Power	.25	Apr. 1	Mar. 1
Do., 5% pf.	1.25	Apr. 1	Mar. 1
Do., 5½% pf.	1.37	Apr. 1	Mar. 1
Gr. Brit. & Can. Invest., pf.	3.50	Apr. 1	Mar. 4
Gord. Mackay, A	.12½	Mar. 15	Feb. 15
Do., B	.12½+.50	Mar. 15	Feb. 15
Grafton & Co.	.25	Mar. 15	Feb. 25
Gr. W. Saddlery 1 pf	.75	Mar. 31	Feb. 28
Do., 2nd pf.	.75	Mar. 31	Feb. 28
Greening Wire	.05	Apr. 1	Mar. 1
Gypsum Lime	.20	June 1	May 1
Do.	.20	Sept. 1	Aug. 1
Do.	.20	Dec. 1	Nov. 1
Hinde & Dauch	.25	Apr. 1	Feb. 28
Hollinger Cons. G.	.06	Mar. 31	Mar. 3
Home Oil	.15+.05	May 15	Apr. 10
Hudson Bay M. & S.	.75	Mar. 10	Feb. 7
Huron & Erie Mtge.	1%+1%	Apr. 1	Mar. 15
Inter-City Baking	.75	Mar. 31	Mar. 14
Imp. Tobacco	.10+.10	Mar. 31	Feb. 18
Do., 6% pf.	3%	Mar. 31	Feb. 18
Ingram & Bell, 6% pf.	6.00	Mar. 15	Feb. 28
Intnl. Bronze	.37½	Apr. 15	Mar. 15
Do., pref.	.37½	Apr. 15	Mar. 15
Intnl. Nickel	†.40	Mar. 20	Feb. 18
Intnl. Metal A	.40	Apr. 1	Mar. 13
Do. B	.25	Apr. 1	Mar. 13
Do., pref. 4½%	1.12½	Apr. 1	Mar. 18
Intnl. Paper	.75	Mar. 29	Mar. 7
Do., pref.	†1.00	Mar. 29	Mar. 7
Invest. Found. 6% p.	.75	Apr. 15	Mar. 15
Jam. Pub. Serv.	.17	Apr. 1	Feb. 28
Do., 7% pf.	1.75	Apr. 1	Feb. 28
Kirk. Lake Gold M.	.01	May 1	Mar. 28
Lake St. John P.	1.50	Apr. 15	Mar. 21
Lake Shore	.18	Mar. 15	Feb. 15
J. Lang	.25	Apr. 1	Mar. 10
Langley's	.75	Mar. 11	Mar. 4
Do.	.75	June 11	June 4
Do.	.75	Sept. 11	Sept. 4
Do.	.75	Dec. 11	Dec. 4
Legare 6% pf.	2.00	Mar. 10	Feb. 10
Lewis Bros.	.25	Apr. 30	Mar. 31
Do.	.25	July 31	June 30
Do.	.25	Oct. 31	Sept. 30
Do.	.25	Jan. 31	Dec. 31
Lon. Can. Invest. pf. 5%	3.50	Mar. 5	Feb. 27
W. M. Lowney	.12½	Apr. 15	Mar. 15
MacKinnon Struct. St., pf.	1.25	Mar. 15	Feb. 28
Marcus Loew's	1.00	Mar. 1	Mar. 10
Do., pref.	1.75	Mar. 31	Mar. 10
Macassa	.02	Mar. 15	Feb. 22
H. R. MacMillan	.10+.10	Mar. 31	Mar. 20
Massey-Harris	.37½	Mar. 15	Feb. 28
Do., pref.	.62½	Mar. 15	Feb. 28
McColl-Front. Oil	.50	Mar. 15	Feb. 15
Minn. & Ont. Pap.	*.25	Apr. 15	Mar. 20
Mod. Tool Wks.	*.12½	Apr. 1	Mar. 15
Molsons Brew.	.25	Mar. 27	Mar. 5
Monarch Knit	.15	Apr. 1	Feb. 28
Do., pf.	1.25	Apr. 1	Feb. 28
Montreal Cotton	.13	Mar. 15	Feb. 15
Do., pf.	.44	Mar. 15	Feb. 15
Montreal Loco.	.20	Apr. 1	Mar. 7
Montreal Tele.	.48	Apr. 15	Mar. 15
Nat. Brew.	.50	Apr. 1	Mar. 7
Do. pf. 7%	.44	Apr. 1	Mar. 7
Nat. Life 25% pd.	.62½	Apr. 1	Mar. 15
Nat. Grocers	.15	Apr. 1	Mar. 3
Do., pf.	.37½	Apr. 1	Mar. 3
Nat. Hosiery Mills	.15	Apr. 1	Mar. 6
National Bis. 7% p.	†1.75	Feb. 28	Feb. 7
Nat. Steel Car	.37½	Apr. 15	Mar. 15
New Meth. Ldry. pf.	1.62½	Mar. 20	Feb. 28
North Star Oil pf.	.08¾+.08¾	Apr. 1	Mar. 8
Niag. W. Weav.	.25	Apr. 1	Mar. 6
Noranda Mines	.50	Mar. 15	Feb. 14
Ogilvie Flour	.25	Apr. 1	Feb. 25
Ont. Beauty S'ply p	.25	Apr. 2	Mar. 20
Ont. Loan	1.25	Apr. 1	Mar. 15
Ont. Steel Prod.	.25	May 15	Apr. 15
Do., 7% pf.	1.75	May 15	Apr. 15
Orange Crush	.15	May 1	Mar. 31
Ottawa L. H. & P.	.15	Apr. 1	Feb. 14
Do., pref.	1.25	Apr. 1	Feb. 14
Ottawa Elec. Rly.	1.00	Apr. 1	Mar. 1
Page-Hersey	.35	Apr. 1	Mar. 15
Preston E. Dome M.	.01½	Apr. 15	Mar. 15
Prov. Bk. of Can.	.15	Mar. 1	Feb. 15
Pantepec Oil	†.32	Mar. 17	Feb. 28
Paton Manuf.	.20	Mar. 15	Feb. 28
Do., 7% pf.	.35	Mar. 15	Feb. 28
Perron G.	.02	Mar. 31	Mar. 1

Supplementary Bond Quotations

Furnished by Investment Dealers Association
Month-end Closing Prices
Feb. 28, 1947

	Bid	Ask.
Adel. Sheppard 5-7/48	68	..
Albert-Bay 5%/50	98	101
Alexandra Apts. 3%/55 w.s.	83½	..
Ancroft Place w.s. 4/56	82	..
*Balfour Bldg. 3%/43	82½	..
*Bay-Adelaide 6½%/47	57	..
*Bay-Cumberland w.c. 3½/58	66	..
Bloor St. George lty. 7%/46	82	85
Brand. Henderson 4/61	100	..
†Clarendon Apts. 7%/46	54	57
†Clarendon Props. 7%/47	54	57
Connaught Hotel 4%/52	90	..
Dom. Dairies 1st mtge. 4/66	101	..
Dominion Square 4%/59	101½	103½
Ellis Park Apts. 4½%/60 w.s.	84	..
Fed. Foundries 5½%/50	83	87
General Brock Hotel 3%/54	93	97
Gleneagles Inv. 5%/59 w.s.	110½	..
Lombard Realty 2½%/51 w.s.	39	..
Lord Nelson Hotel 4%/47	89	93
Metropol. Bldg. 4½/52 inc.	96½	..
Munic. Bankers (1931)	34	..
Ogilvy Rlty. 5½%/51	100	..
Ontario Bldg. 3%/43	73	77
Oshawa Bldg. 3-4%/53	73	78
Prince Edw. Hotel 4%/47	89	..
*Richmond Bldg. 7%/47	38	..
*Royal Windsor Apts. 6½%	44	..
St. Catherine Stan. Rlty. 3½%-4/57	98½	..
†Trinity Bldg. 4%/52 w.s.	17½	22
200 St. Clair W. 4½%/58	84	..
†Wellington Bldg. 6½%/35	94	..
Windsor Court 3%/56 w.s.	79	..
York St. Bldg. 5/53	94	100
*York Adelaide 7%/45	37	41

*Issue carries arrears of interest.
w.s.—With stock attached.
†Currently paying on interest arrears.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporations and Foreign Securities

MUNICIPAL

Town of St. Jerome, P.Q.—3%, due Sept. 1, 1948-76, $19,000, issued Feb. 17, 1947, at $100.01, cost basis 3%. Sold to Dominion Securities Corp.

Town of Ste. Rose, P.Q.—3%, due Jan. 1, 1948-67, $100,000, issued Feb. 17, 1947, at $100.7085, cost basis 2.935%. Sold to Cote & Co.

Town of Ste. Therese, P.Q.—2½%-3%, due Dec. 1, 1947-76, $158,000, issued Feb. 17, 1947, at $99.83, cost basis 2.843%. Sold to Societe Generale de Finance.

City of Montreal, P.Q.— 2½%, 2¾%, 3%, serial debentures, due Nov. 1, 1955-73, $31,948,000, dated Feb. 15, 1947, at $100 and accrued interest. Sold to Credit Interprovincial.

CORPORATE

Island Tug & Barge—3¼%, 3½% and 4%, serial first (closed) mortgage bonds, due March 1, 1948-57, $350,000, dated March 1, 1947, at $100 and accrued interest. Sold to James Richardson & Sons.

C. W. Lindsay — 2¾%, due March 1, 1948-57, $300,000, dated March 1, 1947. Sold to Geoffrion, Robert & Gelinas.

PREFERRED STOCKS

Island Tug & Barge — 40,000 first 5% cumulative participating redeemable preference shares (par value $10) at $10 per share to yield 5%. Offered by James Richardson & Sons.

Gair Company Canada—$1,500,000, 4%, cumulative preferred shares, first series (par value $100), at $98.75 per share. Offered by Dominion Securities Corp.; Nesbitt, Thompson & Co. and Harrison & Co.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Abitibi Pr. & P.	5%	1965	Apr. 1	100
Algoma C. Ter.	5%	1959	Mar. 15	125
Can. Breweries	3½-3¾%	1947-49	Mar. 15	100½
Do.	3½%	1950	Mar. 15	100¾
Do.	4%	1951	Mar. 15	101
Do.	4½%	1952-53	Mar. 15	101¼
Do.	4½%	1954-56	Mar. 15	102½
Do.	4½%	1957-60	Mar. 15	102½
Do.	4½%	1961-62	Mar. 15	103
‡Gair of Can.	6%	1956	Apr. 1	100
‡Good Rich R.	3-5%	1947-49	Mar. 15	100½
‡Do.	3-5%	1950-51	Mar. 15	101
‡Do.	3-5%	1952-54	Mar. 15	101½
‡Do.	3-5%	1959	Mar. 15	103½
Windsor Gas	5%	1966	May 1	par

‡All outstanding.

Stock Redemptions

Company:	Rate	Date	Price
‡Silverw'd Dairies, pf.	.40c	Apr. 1	*15.20

‡All shares not exchanged for A & B stock.
*Includes .20c accrued dividend.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.61	5.05
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.65	5.15
Can. Inv. Corp.	7.50	8.50
Commonwealth Int.	3.60	3.96
Corporate Inv.	9.25	9.95
Trans-Canada (A)	15.75	....
Do. (B)	....	12.95

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
Powell River	.30	Mar. 15	Feb. 22
Power Corp. 6% 2 pt. pf.	.75	Apr. 15	Mar. 20
Do., 6% pf.	1.50	Apr. 15	Mar. 20
Proprietary Mines	.03	Mar. 10	Feb. 8
Prov. Paper 4% pf.	.50	Mar. 15	Mar. 5
Regent Knit.	.40	June 2	May 1
Rel. Grain, 4% pf.	1.00	Mar. 15	Feb. 28
P. L. Robertson	.50	Apr. 1	Mar. 20
Do., pref.	2.50	Apr. 1	Mar. 20
Do., pfd.	.40	Sept. 2	Aug. 1
Do., pfd.	.40	Dec. 1	Nov. 1
Riv. Silk M., A	.50	Apr. 1	Mar. 14
Do., B	.50	Mar. 15	Mar. 1
Rolland Paper	1.06¼	Mar. 15	Mar. 1
St. Lawr Pap. M. p.	2.50	Apr. 15	Mar. 21
Sag. Power, pf.	1.06	Apr. 1	Mar. 5
San Ant. Gold M.	.07	Apr. 5	Mar. 5
Sarnia Bridge	.25	Mar. 15	Mar. 1
Sher.-Williams	.20	May 1	Apr. 10
Do., 7% pf.	1.75	Apr. 1	Mar. 10
Sicks Brew.	.15	Mar. 31	Feb. 28
Silknit, pf.	.50	Mar. 15	Mar. 1
Silverwood Dair., A	.30	Apr. 1	Feb. 28
Do., B	.20	Apr. 1	Feb. 28
Do., pf.	.40	Apr. 1	Mar. 31
Silv. West. Dair., p.	*1.25	Apr. 1	Feb. 28
Stand Pav., pf.	.31¼+.31¼	Apr. 1	Mar. 5
South. Can. Pwr.	.25	May 15	Apr. 18
Do., 8% pfd.	1.50	Apr. 15	Mar. 20
Simpsons Ltd., pf.	1.12½	Mar. 15	Feb. 15
Stedman Bros.	.15	Apr. 1	Mar. 15
Sylvanite	.02	Apr. 1	Feb. 15
Tip Top Tailors	.07½	Apr. 1	Mar. 1
Tooke Bros.	.40	Apr. 3	Mar. 15
Tor. Gen. Trusts	1.75	Apr. 1	Mar. 7
Toronto Iron Wks.	.15	Apr. 1	Mar. 14
Do., pf.	.15	Apr. 1	Mar. 14
Trans-Canada B	.25	Mar. 1	Coup. 5
Traders Fin., pf.	1.12½	Apr. 1	Mar. 15
Tuckett Tob., pf.	1.75	Apr. 15	Mar. 31
United Fuel Inv. pf.	.75	Apr. 1	Mar. 10
United Stl. Corp.	.17½	Mar. 17	Mar. 1
Viceroy Mfg.	.09	Mar. 5	Mar. 1
Wabasso Cot.	1.00	Apr. 1	Mar. 15
Waite Amulet	.20	Mar. 10	Feb. 10
H. Walker	.30	Mar. 15	Feb. 7
Wellington Fire	1.75	Aug. 15	Aug. 12
G. Weston, com.	.20	Apr. 1	Mar. 10
Westeel Pro.	.50	Mar. 15	Feb. 25
Wilsil	.25	Apr. 1	Mar. 1
Woods Mfg.	.50	Mar. 31	Feb. 28
Wool Combing	.25	Apr. 10	Mar. 24
Wright-Harg.	.04	Apr. 1	Feb. 24

†N. Y. funds. *Initial. ‡Bonus.

Company Meetings

1947	Company	Place
Mar. 8	Journal Publish.	Ottawa
Mar. 10	Toronto Mutual Life	Toronto
Mar. 10	Twin City R. T.	Minneapolis
Mar. 12	Corr. Paper Box	Leaside
Mar. 12	Hubbard Felt	Montreal
Mar. 14	Amalg. Oils	Calgary
Mar. 14	Steveville Oil	Calgary
Mar. 17	Howe Sound	Portland
Mar. 18	Imperial Tobacco	Montreal
Mar. 19	Capital Estates	Vancouver
Mar. 26	Simpsons	Toronto
Mar. 31	Cinzano Ltd.	Montreal
Apr. 2	London Can. Invest.	Montreal
Apr. 2	United Corp.	Montreal
Apr. 23	Asbestos Corp.	Montreal
Apr. 30	Western Grocers	Winnipeg

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$13.91	$14.21	$12.05
Hogs	21.35	21.42	18.22
Copper, lb.	.19½	.19½	.12
Sugar, raw, lb.	.0820	.0820	.04205
Coffee, lb.	.27⅝	.27½	.08⅝
Hides	.27	.27	.15½
Weekly Indices			
U. S. Labor	144.3	143.1	107.4
Dow Jones	130.62	126.55	108.30
Fishers	155.8	154.3	116.3
Monthly Indices			
Retail (Jan.)	127.0	127.1	119.9
W'sale (Dec.)	111.8	111.4	103.9
U. S. (Nov.)	139.6	134.1	106.8
Gt. Brit. (Oct.)	177.4	177.2	169.4

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

DIVIDEND NOTICES

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preference Stock has been declared by PROVINCIAL PAPER, LIMITED, payable March 15th, 1947, to Shareholders of record at close of business March 5th, 1947.

W. S. BARBER,
Secretary-Treasurer.

The Borden Company

ANNUAL MEETING

The annual meeting of stockholders will be held on Wednesday, April 16, 1947, at 11:00 o'clock A.M. (Eastern Standard Time) at 43 Park Avenue, Flemington, Hunterdon County, New Jersey.

Only stockholders of record at the close of business on Tuesday, March 18, 1947, will be entitled to vote at said meeting, notwithstanding any subsequent transfers of stock.

The stock transfer books will not be closed.

The Borden Company
THEODORE D. WAIBEL, *Secretary*

Chartered Trust and Executor Company

DIVIDEND NO. 113

NOTICE is hereby given that a dividend of 1¼% has been declared on the paid-up Capital stock of the Company for the quarter ending March 31st, 1947, payable April 1st, 1947, to shareholders of record at the close of business March 15th, 1947.

By Order of the Board.

E. W. McNEILL,
Secretary.

Dated at Toronto,
January 21st, 1947.

The Ontario Loan & Debenture Company

239th DIVIDEND

Notice is hereby given that a Quarterly Dividend of $1.25 per share for the current quarter ending 31st March, 1947, has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 1st April, 1947, to Shareholders of record at the close of business on the 15th March, 1947.

By Order of the Board.

T. H. MAIN,
Manager.

London, Ontario, 25th February, 1947.

DIVIDEND NOTICES

Canada Iron Foundries Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 3% on the $10.00 par value 6% Non-Cumulative Preference Shares of this Company has been declared for the half year ended December 31st, 1946, payable April 15th, 1947, to Shareholders of record March 31st, 1947.

Notice is also given that a dividend of 4% on the $10.00 par value Common Shares of this Company has been declared for the half year ended December 31st, 1946, payable April 15th, 1947, to Shareholders of record March 31st, 1947.

By Order of the Board.

M. S. GROGAN,
Vice-President and
Secretary-Treasurer.

Montreal,
February 27th, 1947.

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters percent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1947.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1947.

The above Dividends will be paid on Tuesday, the 15th day of April, 1947, to shareholders of record at the close of business Thursday, the 27th day of March, 1947.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 26th February, 1947.

The Bell Telephone Company of Canada

NOTICE OF DIVIDEND

A dividend of Two Dollars per share has been declared payable on the 15th day of April, 1947, to shareholders of record at the close of business on the 15th day of March, 1947.

S. C. SCADDING,
Secretary.

Montreal, February 26th, 1947.

Canadian Car & Foundry Company, Limited

Dividend No. 5—Class "A" Stock

Notice is hereby given that a dividend of Twenty-five cents (25c) per share on the Class "A" Stock of the company has been declared, for the three months ending May 22nd, 1947, payable May 22nd, 1947, to shareholders of record April 29th, 1947.

By Order of the Board.

D. H. FORSYTH,
Secretary.

Montreal, Quebec.
February 24th, 1947.

Canadian Car & Foundry Company, Limited

Dividend No. 29—Ordinary Stock

Notice is hereby given that a dividend of Twenty cents (20c) per share on the Ordinary Stock of the company has been declared, for the three months ending May 22nd, 1947, payable May 22nd, 1947, to shareholders of record April 29th, 1947.

By Order of the Board.

D. H. FORSYTH,
Secretary.

Montreal, Quebec.
February 24th, 1947.

Canadian Celanese Limited

1401 McGill College Avenue,
MONTREAL, P.Q., CANADA.

February 27, 1947.

The Board of Directors has this day taken the following action with respect to Dividends:

Preferred Shares, $1.75 Series

Forty-three and three-quarter Cents (43¾c) per share, which shall be deemed to be for the three months period from January 1, 1947, to March 31, 1947, has been declared payable March 31, 1947, to the holders of record at the close of business on March 12, 1947.

Common Stock

Fifty Cents (50c) per share in respect of the first quarter of 1947 has been declared payable March 31, 1947, to the holders of record at the close of business on March 12, 1947.

R. O. GILBERT,
Secretary.

Foreign Exchange

Nominal Quotations

Country	Monetary Unit	Mar. 4	Feb. 25
Argentina, off.	Peso	.2977	.2977
Free		.2440	.2440
Australia	Pound	3.2240	3.2240
Belgium and Belg. Emp.	Franc	.0228	.0228
Bolivia	Boliviano	.0238	.0238
British W. In. (exc. Jamaica)	Dollar	.8396	.8396
Brazil	Cruzeiro	.0544	.0544
Chile, Off.	Peso	0.517	.0517
Export		.0322	.0322
China	Dollar	....	....
Colombia	Peso	.5714	.5714
Cuba	Peso	1.0000	1.0000
Czechoslovakia	Koruna	.0200	.0200
Denmark	Krone	.2083	.2083
Ecuador	Sucre	.0740	.0740
Egypt	Pound	4.1330	4.1330
Eire	Pound	4.0300	4.0300
Fiji	Pound	3.6306	3.6306
Finland	Markka	.0073	.0073
France and Fr. Nor. Africa	Franc	.0084	.0084
French Emp.—African	Franc	.0142	.0142
French Pac. Possess's	Franc	.0201	.0201
Haiti	Gourde	.2000	.2000
Hong Kong	Dollar	.2518	.2518
Iceland	Krona	.1541	.1541
India	Rupee	.3022	.3022
Iraq	Dinar	4.0300	4.0300
Italy	Lira	.0044	.0044
Jamaica	Pound	4.0300	4.0300
Mexico	Peso	.2059	.2059
Netherlands	Florin	.3769	.3769
Netherlands E.I.	Florin	.3769	.3769
Netherlands W.I.	Florin	.5302	.5302
New Zealand	Pound	3.2402	3.2402
Norway	Krone	.2015	.2015
Palestine	Pound	4.0300	4.0300
Peru	Sol	.1538	.1538
Philippines	Peso	.5000	.5000
Portugal	Escudo	.0403	.0403
Siam	Baht	.1000	.1000
Spain	Peseta	.0916	.0916
Straits Settlts.	Dollar	.4701	.4701
Sweden	Krona	.2783	.2783
Switzerland	Franc	.2325	.2325
Turkey	Piastre	.0035	.0035
South Africa	Pound	4.0300	4.0300
Unit. Kingdom	Pound	4.0300	4.0300
United States	Dollar	1.0000	1.0000
Uruguay, Cont'd	Peso	.6583	.6583
Uncont'd		.5629	.5629
Venezuela	Bolivar	.2985	.2985

DIVIDEND NOTICES

Notice of Dividends

Frank W. Horner Limited

Notice is hereby given that a dividend of 12½ cents per share on the "A" shares of the company has been declared payable on or after the first day of April, 1947, to shareholders of record at the close of business on the 28th day of February, 1947.

Dated at Montreal this 28th day of February, 1947.

By Order of the Board,

W. W. GRAHAM,
Secretary-Treasurer.

GATINEAU POWER COMPANY

Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares

Quarterly dividends have been declared of $1.25 a share on the 5% Cumulative Preferred Shares, $1.37 a share on the 5½% Cumulative Preferred Shares and 25c a share on the Common Shares; in each case payable April 1, 1947 to holders of record at the close of business March 1, 1947. Cheques in payment will be mailed. Stock Transfer Books will not be closed.

J. R. BINKS,
Secretary.

Montreal, Canada,
February 19, 1947.

Canadian Westinghouse Company, Limited

DIVIDEND NOTICE

Notice is hereby given that on February 26, 1947, the Board of Directors of this Company declared a dividend of Thirty-five Cents (35c) per share upon the outstanding Capital Stock of the Company, payable April 1, 1947, to Shareholders of record at the close of business, March 14, 1947, subject to the regulations of the Foreign Exchange Control Board of the Dominion Government.

Cheques will be mailed to Shareholders.

By Order of the Board,

W. A. CAMPBELL,
Secretary.

Hamilton, Canada,
March 1, 1947.

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Market Comment

Finance Minister D. C. Abbott's long-awaited tax concession to the gold mining industry has met with only lukewarm response from most mining officials, who term it insufficient. Some observers see a further budget concession an outside possibility.

Generally speaking, the tax change awards the mines about a 10% cut in taxes. This won't mean much to earnings, in most cases considerably slimmed by last July's parity move, and higher operating costs, experts state. One of the most important results will be the possible expanded operations in many mines where poorer grade ore may now be mined. The increased production in itself will add a certain "cost saving" factor, it is said. But many mining officials still contend that only a substantial upward revision in the price of gold can really put the industry back on its feet.

Advancing trend of commodity prices remains the chief concern in brokerage houses these days, in both Canada and U. S. Consensus among the economists is that the trend, if it continues, will disrupt normal buying practices all along the line and lead to inevitable sharp price corrections. It also will provide labor with a more potent argument in current and pending wage-rate discussions.

• • •

Barron's: The Trader (New York) ". . . there has been a deterioration in sentiment, both among larger traders and smaller ones. Thus far it seems confined largely to traders, rather than to have spread among investors. It is difficult to tie it to any specific news development, and it certainly cannot be connected with any domestic trend, except possibly the unfortunate new runaway market in some important commodities—which is a complicating, rather than a resolving influence in the long process of getting back to normal. Apparently the British crisis has caused many to rediscover the broad unfavorable implications in the foreign situation. But essentially, that is no better and no worse than it has been for months."

• • •

Barron's: The Dow Theorist (New York) "The bullish view of the market was strengthened by the decline in trading volume last week. Such a development, accompanying the narrowing swings after a decline in a bull market, frequently has been the prelude to a resumption of the primary uptrend in a vigorous manner."

• • •

New Highs and Lows

During the week ended March 3 there were 19 new highs recorded among the "general" stocks traded on Canadian stock exchanges and six new lows. In the mining group there were four new highs and 11 new lows. Two new highs and no new low were recorded in the oil stocks.

New Highs—1946-47

Auto Fabric A	Massey-Harris
Cons. Litho.	Mtl. Refrig. 2 pf.
Cons. Press	Nat. Sew. Pipe A
Dom. Square	Powell River
Eastern Theatres	Robinson Little
Equitable Life	Silverwood B
Fittings	Tuckett Tob. pf.
Fleury Bissell pf.	Western Grocers
Huron & Erie Mt.	Do., A
Do., 20% pref.	

New Lows—1946-47

Hamilton Cottons	Rand S.S.
Murphy Paint	Robinson Little A
Que. Pulp & P. pf.	St. Lawrence Flour

GENERAL

New Highs—1946-47

Bevourt	Regcourt
Ogama Rock	Renable

New Lows—1946-47

Arjon	Lake Wasa
Band. Ore	New Bidl'e.
Castle Treth.	Nib Y'fe.
Dentonia	Norpick
Eureka	West Mal.
Kelwren	

MINING

New Highs—1946-47

Royal Can.	So. Brazeau

Ind. Acceptance Preferred is Sold

A rapid over-subscription is reported to a new issue of $1.5 millions 4¼% cumulative redeemable preferred stock, par $100, of Industrial Acceptance Corp. The stock was offered at $99 a share to yield about 4.29% by Greenshields' & Co. and Wood, Gundy & Co.

Proceeds are to increase the funds available for general corporate purposes.

Capitalization on completion of the financing will consist of $2 millions series A 3½% 20-year sinking fund debentures; $1.5 millions 5% preferred stock, par $100; $1.5 millions 4¼% preferred stock, par $100, and 100,000 class A shares, no par value.

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VINCENT MINING CORP. has staked a large group of claims adjoining the main Sherritt Gordon property at Lynn Lake, Man., being three claims away from the "L" hole. The new claims are additional to company's large interest in Baker Lake Explorations.

HALDEN RED LAKE MINES has completed drill hole No. 4 at 430 ft. and No. 5 at 627 ft. In hole 4 the drill is reported to have passed through five mineralized zones, the widest being 50 ft. and 300 to 350 ft. in the core. Assays have not been released on either hole to date.

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Falconbridge Operating Rate Better Is Up From 50 to 75% of Capacity

By GORDON M. GRANT

Reflecting an improved demand for nickel and gradual integration of its Norwegian refinery into over-all operations again, Falconbridge Nickel Mines has moved up its postwar operating rate from 50% to a level of 75% of capacity, The Financial Post is informed.

With overhead spread over a greater production, it appears a likely conclusion that improvement in operating ratio will make itself felt in improved earnings figures before long.

Because the company had to assemble scarce supplies for its Norwegian refinery and had the big job of filling the matte "pipeline" to Norway, postwar transition from war to peace was slightly more of a task for Falconbridge than for its "senior partner," International Nickel Co., which had no comparable problem.

Step Up Mine Output

Initially Falconbridge was turning out more matte at the mine than the refinery could handle. Accordingly it was necessary to build up the operating rate at the refinery to take care of current production—and accumulation of matte. This accumulation of matte has now been taken care of, The Post understands, and the operating rate at the mine has been lifted to a level corresponding to the 75% operating rate at the refinery. If anything, the refinery recently has been tending to run ahead of the mine through freak weather conditions. The extremely cold weather in the old country has made itself felt on Falconbridge operations although the situation has not been serious. The difficulty has been the delivery of matte. Ports in Norway have been frozen up with the extreme cold; only now are things beginning to open up. Matte is moving in again to Kristiansand, according to word early this week, but the Port of Oslo is still reported frozen solid.

Demand for nickel is quite good. There is little doubt but what the demand from United Kingdom and European quarters will continue at satisfactory levels if purchasing power is maintained. Arrangements made for the financing of European world business, after credits made available by loans in the United States and Canada are used up, are naturally of interest to people in the nickel business.

Labor Position Sound

The entire Falconbridge operation appears to be in a fair state of balance at present. The crew at the mine in the Sudbury area is adequate for requirements and a fairly normal program of advance development is being carried on. In Norway the labor situation has been fairly satisfactory but perhaps not quite as satisfactory as at Sudbury. The refinery is in fair shape for labor at the moment but many Norwegian trades close in the winter time and spring might be a minor testing time for the refinery labor supply.

It is safe to say that development of new ore is keeping pace with withdrawals.

Outside Mines Important

Over the past ten years, Falconbridge has been rather successful in outlining nickel deposits on other properties held in the Sudbury area. No plans for any immediate underground development of these have been announced by the management but underground work is always a possibility when the nickel business demands it. At Jan. 1, 1946, 5,746,000 tons of ore of total reserve of 13,682,000 tons averaging 1.72% nickel and 0.93% nickel were contained in outside holdings.

Dividend payments totalled 10 cents a share in 1946 (earnings were only slightly over eight cents for the first nine months of the year). Prospects for greater distribution appear definitely better. Working capital of $7,893,030 as as Jan. 1, 1946, was equal to over $2.35 a share and included $2.2 millions of cash and $3 millions of government bonds. With an apparently strong financial position and uncertainties regarding its refinery eliminated, the way appears to be cleared for higher earnings to be reflected in higher dividends if the management so desires. At Jan. 1, 1946, the company carried its entire fixed assets at only $892,036 against $3,558,611 at Jan. 1, 1940. Certainly write-offs are not likely to be any great strain on earning power over the next few years. An aggregate of over $9 millions has now been written off the company's assets for depreciation.

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OIL PRODUCTION

Four Wells Try For Leduc Oil

From Our Own Correspondent

CALGARY—Imperial Oil wasting no time following up its oil discovery at Leduc, has set location and is starting immediately on its second follow-up well. Imperial-Leduc No. 3 will be drilled about two miles northeast of the discovery well.

The first follow-up, Imperial-Leduc No. 2, was spudded in on Feb. 12, in 1¼ miles south and quarter of a mile west of No. 1. It will likely provide its answer about mid-March.

Both Nos. 2 and 3 are "wildcats," seeking the first data on breadth of the oil and gas bearing horizons penetrated at the discovery. The No. 1 is producing from a Devonian limestone zone 5,029 ft. to well-bottom at 5,066 ft. Cased off are a Basal Lower Cretaceous sand section around 4,300 ft. which gave a substantial natural gas flow plus a good showing of light crude oil, and also a Devonian zone which gave a substantial gas flow, above the horizon being produced.

Two independent oil companies announced well locations for the Leduc area today. One is Globe Oil Co. and the other Leduc-West Oil Ltd. a new incorporation, in which Globe and other independents have a substantial interest. Arrangements for drilling are now being made, with the Leduc-West expected to be the first drilled.

The new sites are Leduc-West No. 1 2¾ miles west of Imperial-Leduc No. 1 discovery (Leduc-West owns 160 acres in section 19) and Globe-Leduc No. 1 about 3½ miles southwest of the Imperial-Leduc No. 1. discovery and 2¼ miles southwest of the drilling Imperial-Leduc No. 2 follow-up.

* * *

Princess Aids Six

Princess Petroleums will participate in drilling six wells this spring in the South Princess area, following the 1946 Madison limestone oil discovery, according to announcement this week by George McMahon, president and managing director. The program will include:

1. Drilling of three offset wells to South Princess No. 3 discovery by Standard-Pacific Petroleums (Successor to the South Princess Syndicate). Princess Pete has a 10% interest in this company.

2. Drilling of two wells jointly by Princess Pete and Pacific Petroleums, each concern providing a quarter-section offsetting the S.P.S. No. 3 discovery.

3. Drilling of a well by the Princess-Brocks Syndicate, probably around two miles southwest of the discovery. Princess Pete has a 26% interest in this syndicate.

Also slated for this spring is a re-working job on South Princess Syndicate No. 2, a well considered to have an excellent chance of being a good producer. This well found oil at the Madison lime top, deepened to Devonian where water was encountered. A faulty cement job apparently failed to seal off the Devonian water. A plastic plug will likely be set below the Madison oil zone in effort to seal off Devonian water, after which the well will be acidized, and full potentialities of the Madison determined. This well, structurally higher than S.P.S. No. 3, has been shut in for several months.

The South Princess No. 3 well, on intermittent operation since last November, has produced to date about 7,000 barrels of 27.2 API gravity crude oil. There is no evidence of formation water. Open flow potential hasn't yet been determined, but would appear to be substantially in excess of the peak flow rate (198 bbls daily) to date. At this flow rate, through a 12/64 inch choke, the well recorded 1,080 lb. on casing, 815 lb. on tubing, 150 on separator, and operated with a gas-oil ration of 800-900 cu. ft. per bbl. Output has been governed more or less by how fast oil could be transported by truck to the California Standard loading racks at Princess Siding. As soon as weather permits, proper pipeline facilities will be arranged and the oil will be piped over to the siding. Production will then be taken on a proper and consistent basis.

Princess Pete controls some 12,000 acres in the general area (including 160 acres off-set to S.P.S. No. 3 well), in addition to its interest in the Standard-Pacific company and the Princess-Brooks Syndicate.

* * *

New McColl Tests For Gas

The McColl-Frontenac and Union Oil Co. of California are seeking a further link-up of the old Foremost gas field and the team's expanding Pakowki-Pinhorn gas field. The team has staked its McColl-Union No. 6-4-5-10 in the centre of L.S.D. 6-4-5-10 w4, and will move in rig immediately.

The new site is about four miles south of the current limits of the Foremost gas field, is just over four miles northwest of the McColl-Union No. 6D-25-4-10 (recently completed with open flow potential of 16 million cu. ft. daily), and is three miles west and a mile south of McColl-Union No. 6D-12-5-10 (which found water).

SAN PEDRO MINING CORP. advises that diamond drill hole No. 2 was terminated at 545 ft. after running into a seam at that depth. The hole was logged in detail to 22 ft., the core mainly consisting of granite, granodiorite and diorite with a few dikes of feldspar diorite porphyry. The hole cut an 8 in. quartz stringer at 431 ft., followed by 14 in. of diorite, followed by another quartz stringer 7 in. wide. Logging of drill hole No. 1 showed formation to be mainly granite down to 500 ft. Preliminary shallow drilling of this vein in three holes returned fairly high-grade values.

GOLDVUE MINES has received payment for 25,000 shares at 35 cents. Issued capital, 2,850,005 shares.

Premier Calls It a Day Will Distribute Assets

One of the most famous of British Columbia mining enterprises—Premier Gold Mining Co.—appears likely to end its career shortly following announcement that shareholders will be asked to approve winding up proceedings at a special meeting called for Apr. 1, 1947.

As the predominant stock interest is vested in interests associated with the present management and as the late H. A. Guess, the former Premier "spark plug" has passed on, the meeting appears to be little more than a formality.

Give Distribution Plans

Although Premier shares sold off to 90 cents on announcement of imminent dissolution, it appears that there remains quite a bit in the way of valuable assets for distribution. President R. F. Goodwin stated that it is intended to have a liquidator—

"As soon as practicable distribute to the shareholders in respect of each 100 shares of Premier, 30 shares of Toburn Gold Mines, 25 shares of Silbak Premier Mines, seven shares of Saudi Arabian Mining Syndicate, three shares of Big Bell Mines, and as much cash as he can safely distribute at that time. To holders of a number of shares not evenly divisible by 100, issue warrants for the appropriate fraction of shares. These warrants would be negotiable, thus enabling recipients to purchase additional warrants to entitle them to receive certificates for whole shares or to sell their warrants to others who desire to do so. Warrants would expire at a fixed date, probably four months from date of issue, after which unissued shares would be sold and the cash remitted to those entitled to the fractional shares.

"Following this distribution, dispose to the best advantage of the remaining shares and securities not thus distributed, seeking court authority where necesary.

"When all assets have been realized and the expense paid or determined, make final distribution in cash."

To Create New Markets

It is pointed out that the Toburn and Silbak shares are already traded on Canadian exchanges and efforts are being made to create a ready market for shares of Saudi Arabia and Big Bell.

From assets available for distribution it appears that the people who sold at 90 cents a share might possibly have fared better by waiting for a while. Toburn shares have been selling around $1.35 recently while Silbak Premier shares, not very active, have sold around 90 cents and as high as $1. Premier had slightly in excess of a million dollars working capital at Jan. 1, 1946, and this is equal to 20 cents a share on the five million issued shares. Toburn, Silbak and this "cash" work out at about 83 cents a share. Big Bell has only 400,000 shares issued and this asset may be more valuable than might be thought. The Saudi Arabia gold mine too is rated as a good one. Its shares might carry considerable value particularly if world gold mining conditions improve.

Cardiff Fluorite To Build Reserves

The six ore zones indicated on the 630 acres held by Cardiff Fluorite Mines at Wilberforce, Ont., warrant proceeding with plans for a tonnage operation, Consulting Engineer L. K. Fletcher, states. Development is planned to place "ore in sight" for the proposed 150-ton daily capacity concentrator.

Bulk samples of 500 tons are now being cut from various zones for further metallurgical tests and the working out of a mill flow sheet, Mr. Fletcher adds. Three of the deposits have been explored by trenching and diamond drilling and the other three, 1946 discoveries, have only been partly explored by trenches and test pits. Lengths up to 400 ft. across widths up to 22 ft. have been reported in the three new showings.

Concentrating of 150 tons of ore daily is expected to return a daily output of 45 to 55 tons of fluorspar, Mr. Fletcher, states.

Omega to Discontinue Mining and Milling

Directors of Omega Gold Mines have decided to discontinue mining and milling operations by April 30, The Financial Post is advised. Operations have been carried out at a loss during the fiscal year to date. The geological study referred to in last year's report, as well as diamond drilling and other underground exploration, failed to give any encouragement or indicate additional ore.

CHESKIRK MINES has received payment covering 40,000 shares at 20 cents and 20,000 shares at 30 cents a share. Issued capital, 2,320,-005 shares.

D'ARAGON MINES advises that Feb. 21 option installment of 200,000 shares at 40 cents a share, has not been exercised.

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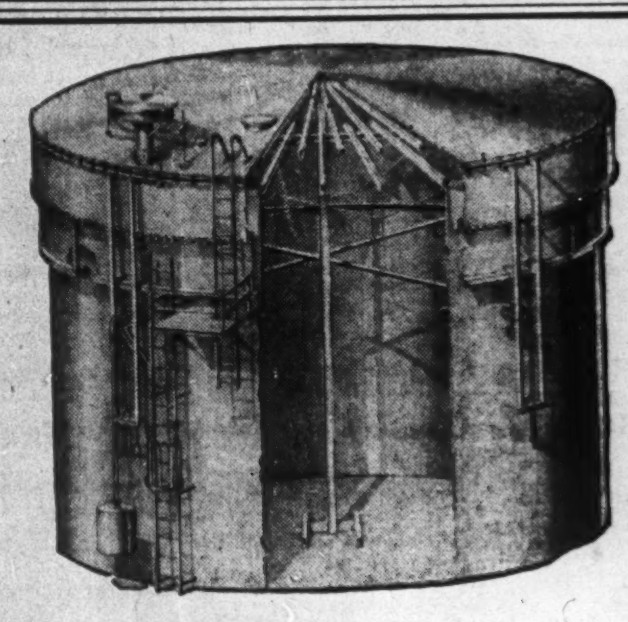

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Ontario Security Commission Options

Company:	Underwriter:	Purchased (Underwritten) Shares	At c.	Date	Option No. Shares	Received Price Range c.	Capitalization Author. Shares	O/s Shares	Accepted
Andowan M.	Co. granted security issuer's registration						3,000,000	1,893,586	Feb. 11
Anglo-Amer. Tim. Corp.	Shs. to be sold through any registered broker on basis of 75% to treasury.						....	....	Feb. 13
Beaudega M.	R. G. Hiscott	250,000	10	Jan. 22	1,550,000	15-$1	3,000,000	1,096,007	Feb. 15
Concord M.	S. B. Roman†	......	..	Jan. 4	450,000	15-25	3,000,000	1,000,005	Feb. 10
Droumaque G. M.	Clair Agency	400,000	5-7½	May 11	1,500,000	10-$1	3,000,000	1,601,512	Feb. 10
Erndale M.	R. H. Fawcett†	......	..	Jan. 31	1,000,000	10-20	3,000,000	1,000,007	Feb. 14
LaSalle Yellowknife M.	S. G. Cranwell†	......	..	Jan. 14	1,000,000	10-50	5,000,000	2,913,605	Feb. 15
Mafillac Rouyn M.	J. A. Kent	60,000	10	Jan. 22	2,000,000	7½-10	3,500,000	1,760,005	Feb. 11
Ottawan Explorations	Co. granted security issuer's registration.						1,000,000	50,005	Feb. 11
Russet Red Lake G. M.	Wm. Fairburn	200,000	15	Feb. 3	......	....	3,000,000	2,494,605	Feb. 14
Russ-Rae Yellowk'fe M.	Torny Financial Corp.†	......	..	Sept. 17	1,849,995	10-$1	3,500,000	1,650,005	Feb. 14
St. Anthony M.	Old Colony Sec.†	......	..	Feb. 27	1,350,000	10-50	3,000,000	1,787,914	Feb. 19
Starcourt G. M.	Starlight M.	210,000	5	Oct. 24	1,789,995	5-$1.50	3,000,000	1,210,005	Feb. 13
Shearzona M.	C. V. Fritz	100,000	10	Jan. 27	900,000	10-20	3,000,000	1,015,005	Feb. 11
Wejack M.	H. B. Clearihue	400,000	10	Sept. 21	1,600,000	15-$1	3,000,000	1,400,005	Feb. 11

†Optionee.

AMENDMENTS TO PREVIOUS AGREEMENTS

Extended: Eastview Mines.
Accepted for filing: Christianson Prospecting Synd. Landy Cadillac Prospectors' Synd. Indwa Prospecting Synd.

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A new Junior Gold Mine
To be added to the ranks of
producers this year.

DO YOU KNOW the following important facts about this property in the Rouyn Area:

- Shaft sinking completed to depth of 550 feet.
- 540 feet of drifting and crosscutting has been done since January 1st, 1947.
- Underground development has shown a much higher grade than diamond drilling.
- Channel samples up to 1.24 ounces taken on 2nd level.
- Over 1,000,000 tons of ore indicated by drilling.
- Forty-four percent of all drilling in ore zone showed visible gold.

For further information, write

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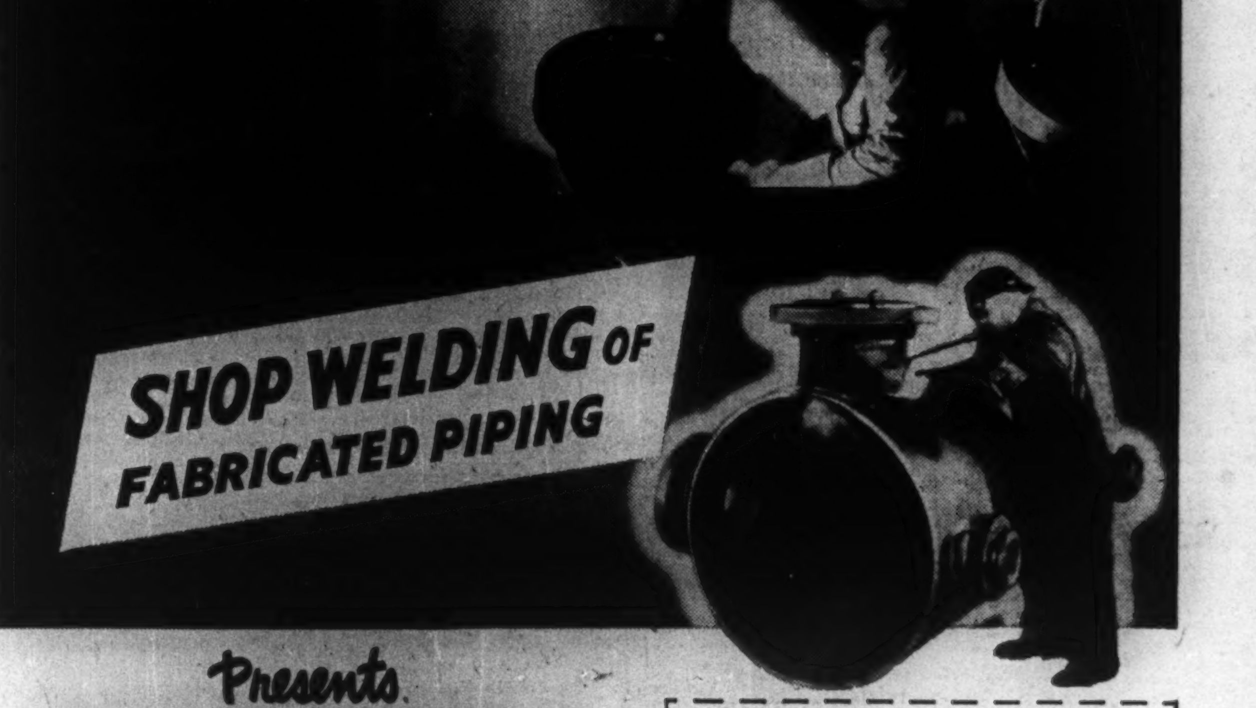

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The Crane line includes general utility valves 2-inch or smaller for a wide variety of services; also larger standard and special service valves ranging up to 24-inch, available in each of the American Standard pressure classes — all made of selected quality materials and designed to assure maximum utility.

To meet varying demands of high pressure and temperature, and those of the petroleum, chemical and process industries, these valves are made of different types of steel: carbon steel, carbon-molybdenum, nickel-chrome, chrome-molybdenum, etc., with wearing parts made of Exelloy, nickel alloy, chrome 18-8 Mo, or Stellite... whichever is best suited to the service and working conditions.

See Crane No. 41 catalogue for complete details. P-17

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Gold Mine Tax Concessions Some Aid But Effect on Industry Questioned

New tax depletion concessions being made by the Dominion Government will undoubtedly provide real assistance for the gold mining industry. But it is questioned by the mining industry as to whether or not the concessions will be sufficient, by themselves, to bring the thorough-going revival of the gold industry desired to bolster Canada's lagging U.S. dollar position.

The tax concessions are three-fold: Boosting of the general 33 1/3% depletion allowance to 40%; increase in the minimum depletion (tax-free) allowance from $2 to $4 an ounce; and permission for new gold mines to defer write-offs until after the initial three-year tax-free period (with added permission to write off all development and depreciation in the following four years).

Increase in the depletion allowance on operating profits of gold mines from 33 1/3% to 40% was less than the increase to 50% depletion sought for years by the mining industry; but it will mean at least a 10% lightening of the tax load for even good mines. Tax will now be paid on 60% of operating income instead of on 66 2/3% as formerly.

The Dominion tax rate at present is a 30% corporation tax rate plus 15% excess profits tax. The over-all tax rate is 45%—less 33 1/3% depletion. Thus the effective tax rate has been 30%. Now the rate will be 45% less 40%—or 27%. For every dollar earned, a company will be able to retain at least 3c. more—the increase in earnings being from 70 to 73 cents. Percentage increase in retained profit is about 4.3%.

This Aids Many Mines

Of course for some gold mines where rate of profit is lower, it is proposed to step-up the profit allowed tax free (as depletion) from $2 to $4 an ounce. Many companies may find it advantageous to come in under this "umbrella." The proposed minimum allowance of $4 an ounce tax free as depletion for fiscal years ended after June 30, 1946, the date of the original $2 allowance, is designed, of course, primarily as an aid to marginal mines, but it will be advantageous for all mines earning less than $10 an ounce. The original $2 allowance had been criticized as being of assistance to only one or two mines in the Dominion. But it is obvious that a much wider range of mines will stand to benefit under the $4 ruling. All mines realizing a profit margin of less than 28.6% (before taxes) will benefit from the ruling, it can be calculated.

Help New Mines Too

Criticism of the three-year tax-free period for new gold mines previously had been that profits in this period were low anyway because this was the period of heavy 15% write-offs on pre-production expense and for depreciation. New gold mines are now going to be permitted to do all their writing off in the four years following the initial tax-free period. This may mean in practice that some new gold mines may be practically tax free for their first seven years. This important provision will certainly mean a substantial extra saving particularly to a mine like Giant Yellowknife Gold Mines where the expenditures on equipment and pre-production expense are bound to be substantial.

Tax Saving Small Now

Many Canadian gold mines have been doing little more than trading dollars recently. There have been only small earnings to be taxed. And the increase in tax concessions has consequently not been so important immediately. There will be some incentive toward treatment of lower grade ores, as Mr. Abbott hopes, and a little extra tax money may be saved and made available for broader development.

A number of top industry executives have felt that only a higher price for gold or a subsidy on gold would really rescue the industry from the plight that a return of $35 gold created. The industry has not asked for a subsidy—the idea of subsidy is repugnant to most mining men—but the view has been expressed that the Dominion from a strictly fiscal standpoint should never have brought the dollar back to par—and gold to $35.

From the longer standpoint, the new tax concessions may be very beneficial. The incentive to leave no stone unturned in a struggle back to pre-war normalcy is made much more worthwhile. The tax concessions will help every category of gold producer where 70% or more of output is gold.

Giant Drift Runs in Ore Grading Ounces per Ton

Drifting north in a high-grade ore shoot at the first level of No. 2 shaft at Giant Yellowknife Gold Mines has recently been returning assays running in ounces even after cutting high assays, with the face continuing in the same high-grade material, The Financial Post is informed. It is estimated that the gold content of 10 consecutive rounds of muck hoisted amounts to more than $34,000.

When the B-106 north drift had apparently reached the footwall of the ore zone at the latitude of surface drill hole S-186, the west wall was slashed and driving northward along the present high-grade ore band got under way. The first 31 ft. of drifting has returned an average of 4.36 oz. in face sampling or an average of 3.87 oz. in car sampling. The next 37 ft. averaged 3.7 oz. in the face and 3.9 oz. in car samples.

These samples include several samples ranging from 5 to 16 oz. gold per ton that were cut to 5 oz. before being averaged. The ore is predominantly quartz abundantly mineralized with grey mineral and sphalerite.

Values Very Consistent

Assays have run very consistent in each round with mucks for the initial 31 ft. returning the following consecutive values: 2.40 oz., 1.82 oz., 2.4 oz., 3.80 oz., 4.23 oz., 4.76 oz. and 7.98 oz. Channel and chip samples for the same section have been as follows:

Value oz.	Width ft.	Value oz.	Width ft.
3.37	7.0	2.88	7.0
2.67	5.8	7.57	5.8
2.04	5.9	3.40	5.6
3.50	6.2	8.37	5.8
10.69	7.3	5.11	7.0
6.44	6.4	10.80	6.0
6.31	6.8	6.37	6.6

A total of 2,706 tons on the dump at No. 2 shaft averages an ounce of gold per ton or better.

According to the evidence of surface drill holes, Dr. A. S. Dadson, consulting geologist, the high-grade material should be fairly prevalent in the high-grade ore body, particularly in the lower segment. The recent high grade outlined is regarded as indicating that the extra rich portions may be expected to have some persistence.

Other Ore Earlier

Driving north of the shaft had opened up several fine ore sections before the latest values came in. One early 230-ft. section gave 0.90 oz. over 6.3 ft. on channel sampling, 0.67 oz. over 6.2 ft. for chips while 1,096 tons of muck ran 0.68 oz. After about 70-90 ft. of submarginal length, a 221-ft. section was drifted on averaging 0.40 oz. (0.24 oz. cut) over 6.8 ft. on channels or 0.54 oz. (0.47 oz. cut) over 6.8 ft. on chips and 0.47 oz. on car sampling. The latest high-grade section follows this last shoot closely.

A crosscut to the west about midway along the drift to the north at this first level intersected a horizontal width of 43.8 ft. on the hangingwall side running 0.67 oz. on rib sampling and 0.80 oz. from car sampling. The main structures exposed in B-106 north drift at the first level are indicated to dip at about 20 degrees to the west and from present information it appears that the second level heading will have to be carried some distance further to the north to tap the downward extension of the lower segment ore body on its plunge.

Opening of extremely rich ore in underground work at Giant does not come as a surprise because there had been indications of it in surface drilling. Its confirmation underground is important, of course, and from the standpoint of production, the higher grade will offer the management a "sweetener" which will be invaluable for the maintenance of mill heads at a desired level.

HONDURAS CONSOLIDATED MINES, jointly controlled by McCartney-Smith Explorations and American interests, has completed negotiations for purchase of a group of mining properties in Republic of Honduras.

Make Fast Time At Dickenson

Seven Headings Being Driven — Double Present Work in Near Future

Seven headings are being worked currently at Dickenson Red Lake Mines laying the scene for major ore news. With installation of a new 2,000-ft. compressor scheduled to come into operation in a matter of days, this program is expected to be more than doubled, The Financial Post is informed.

Dickenson has one main indicated ore zone northeast of its shaft and three not far away southwest of the shaft. These are aside entirely from the important ore cut in the shaft area. Bulk of work is being devoted to the putting out of crosscuts to get into these ore zones. Development of the Campbell zones still further south will come later.

At the first level, crosscuts are now being extended both northeast and southwest. On the second level, drifting is being carried east and west on the ore which came in just north of the shaft station and which showed a 55-ft. crosscut width averaging $8.88 from muck samples and $9.05 a ton from channel samples on the backs and walls. True width was calculated at 48 ft.

From work done, it has not been possible to fully determine the attitude of this shaft body which has now been drifted on for over 72 ft. to the west and some distance to the east showing good ore grade material on the north contact being followed. Regional dip is to the south and three drill holes are being put out from the third level station to establish the dip of this particular occurrence.

Crosscuts are also being carried both north and south at the second level and crosscutting is underway to the south at the third level. The crosscut north at the third level is expected to get under way on completion of the three short holes now being drilled.

The shaft ore at the 2nd level shows clean walls. This is encouraging from a mining standpoint, it is pointed out. It appears that the management will not have to depend on "assay walls."

Good progress is being made in putting out the crosscuts and headings should be getting into the main ore zones by April 15 or May 1 depending on the speed with which operations are pressed. There are a substantial number of good grade ore intersections close to the sections in which the drives are being put out and the management will likely be able to "follow ore" without undue difficulty.

Norzone Rouyn Finishes Shaft

Arrangements have been completed for securing additional working capital to finance lateral work on the 300-ft. level of Norzone Rouyn Mines, The Financial Post is informed. The shaft has been finished at 300 ft. and on installation of pumping equipment, crosscutting on second level will start simultaneously with drifting north and south in the ore zone on the first horizon.

Channel and car samples will be taken as development proceeds, with special emphasis being placed on obtaining an accurate estimate of lead content of the ore. Parallel ore bodies indicated by surface diamond drilling will also be investigated.

A firm commitment has been made by underwriters to take up 200,000 shares at 35 cents a share, payment to be made as follows: $20,000 by Mar. 15, $20,000 by Apr. 15 and $30,000 by May 15.

The Modern Woman

instead of feeling slighted and bewildered, is relieved when she learns her husband has been thoughtful enough to put his estate into the hands of those who, like ourselves, specialize in executorship. Worry, uncertainty of what to do, and fear of poor business advice in investment matters are dismissed from her mind.

Speaking for ourselves, we can simply say that the settling and handling of many estates has put us in touch with many women and children at a time when they need everything we have of kindliness, consideration and sound advice. We have made many friends amongst them and we are proud of their generous praise.

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AN OPEN LETTER TO TAXPAYERS ABOUT NOVA SCOTIA COAL MINES

DOMINION COAL COMPANY
LIMITED
SYDNEY, NOVA SCOTIA

To The Canadian Public —

If the Nova Scotia coal industry could get down to work, assistance from public funds for operating subsidies could be eliminated. Our basic difficulty is our low rate of production. Production restored even to a pre-war level would reduce the present subsidy of approximately $8,000,000 necessary in 1946 from your Federal tax money, and we should be well on the way to complete subsidy independence from public assistance.

Last year, in coal mines controlled by Dominion Steel and Coal Corporation, average daily output for each mine worker was only 1.44 tons against the 2.41 tons per man per day mined in 1939.

Coal miners who did not put in a day's work, and those who stayed off the job altogether, forfeited $4,500,000 in potential earnings. They lost 5,000,000 work hours. They left unmined 900,000 tons of coal.

The lowest paid employee in Dominion Coal Company mines can earn more than $1,600 a year; the skilled worker more than $3,500. Our employees' Union Representatives want the basic wage rate raised $1.40 a day, along with welfare fund royalties of 8 cents a ton and a pension fund levy of 5 percent of the total payroll.

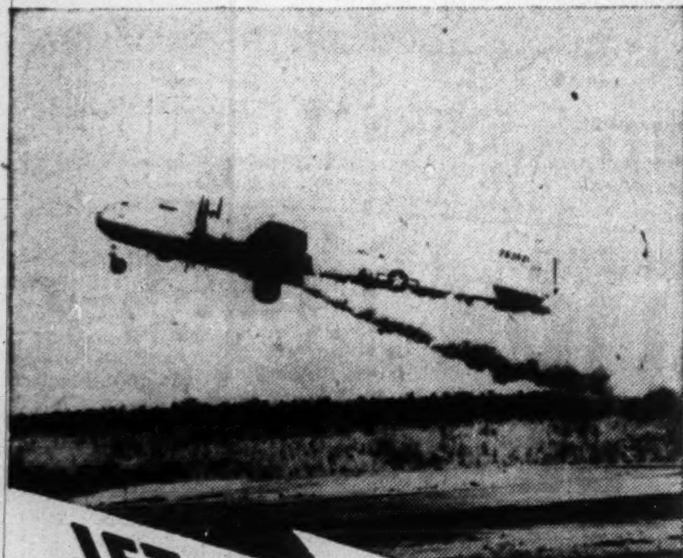
This would increase production costs of coal $1.85 a ton — equivalent to payment in subsidies of an additional $7,000,000 from your Federal taxes.

The Company attitude has been, in effect, "produce more coal — get back to even the pre-war average per day — and we'll pay you $1 a day more."

The Company can do it and reduce subsidy requirements — but only if more coal comes up from the pits each shift.

H. C. M. Gordon
H. C. M. Gordon
General Manager

DOMINION COAL COMPANY
LIMITED
SYDNEY, NOVA SCOTIA



JET PROPELLED PLANES FLY FAST...

But Prevention is Still Better Than Cure

Jet-propelled planes usher in a new air-age.

But science has never yet achieved *certainty*. Machines give way or break down . . . need watching.

Constant vigilance is the price of that prevention which is so much better than cure.

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11-46

The Boiler Inspection and Insurance Co. of Canada

806 The Bank of Nova Scotia Bldg. Montreal — 350 Bay Street Toronto, Ont.

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Portable Fluorescent Light

Operated by a 7-lb. battery, a new portable fluorescent light is now being marketed in Canada. Its manufacturers claim it will burn 30 hours; the 6-watt tube is good for 1,000 hours. Steel construction, an unbreakable shield lens and 180-degree light range are other features.

• • •

One-minute Photographs

It will be "some months" before commercial buyers will know the answer to "when" and "how much" on the new camera announced last week in New York by Edwin Land, discoverer of Polaroid. There are to be two sizes—portraiture and press (usually 5 x 7 in. and 3¼ x 4½ in.). By a new combination of photographic chemicals and a built-in roller arrangement, the camera produces completed prints. The roller crushes a phial of chemicals between the negative and printing paper and then forces the printing paper into contact with the negative. No details of speed factors of the film have yet been released.

• • •

For Kibitzers Only

A Chicago department store is reaching for sales by a practical appeal—it sells bridge sets with a fifth chair for kibitzers.

• • •

Air Travel Credit Card

An international air travel card which will entitle the holder to transportation anywhere in the world over the routes of 25 airlines participating in the plan, will shortly be distributed by Trans Canada Air Lines. Primarily a credit device, the new card enables travellers to go around the world without carrying large sums of cash. Airlines of North America are the only ones participating in the plan so far.

• • •

Fishing Through Hose

It wouldn't be of much use for those who fish strictly for the sport, but the B. F. Goodrich Co. has uncovered a new use for rubber hose. A canning company in Maine transfers fish from boats to storage tanks on shore through a six-inch hose, the fish floating in water through the hose to prevent damage to them. They move at the rate of 2,500 pounds per minute, or six times as fast as the usual method of unloading.

• • •

Auto Gadgets Need Power

Continued use of radios and other equipment has put a heavy drain on automobile storage batteries. Radio-telephones, air conditioning and other accessories will increase that drain in many cars. A U. S. company is now marketing a new AC generating system which it claims will meet the needs of motorists who use all the gadgets. The new system, lighter than the standard units, is said to deliver high output at idling and all driving speeds.

• • •

Gives Foot Comfort

For those who are troubled with cold feet (physically), a U. S. firm is manufacturing a footstool with built-in electric heater. The foot-defroster is in Colonial design, upholstered for comfort.

• • •

Take Guess Out of Golf?

One end of a new U. S. mechanical pencil can be used to keep your golf score. The other end, the manufacturers claim, can be used to keep that score down. It has a ruled meter which can be sighted on the flag to tell how far you are from the green and what club to use for the next shot. It doesn't claim a cure for topping the ball.

• • •

Screwdriver-Hammer

A versatile tool that looks like a screwdriver and spins like a top speeds up insertion and removal of loose-fitting screws. A heavy hour-glass crossbar is clamped half way down, and acts as a flywheel when the tool is spun. Crossbar can also be clamped to blade tip, converting it into a hammer.

• • •

New Window Feature

A built-in subframe is a feature of aluminum double-hung windows for homes now being manufactured in the United States. The unit comes in several sizes.

• • •

Self-destroying Label

A new label designed in the U. S. guards against the danger it may be removed and used on something other than the original product. The label is die-cut so that it can be removed only in segments; the die-marks are said to be almost invisible and in no way affect the design. It may be applied to almost any surface, will adhere permanently, and is especially intended for trademarks, underwriters' approval and similar factory-applied data.

• • •

Aid For Electricians

A neon test lamp on a screwdriver is announced for electricians as a handy circuit-tester. It can be used on voltages from 105 to 550 AC or DC for testing fuses, outlets, cords, appliances, radios, motors, cables and the like. A detachable lead is removed when the unit is used as a screwdriver.

• • •

Printing Press Control

Safe, accurate operation of newspaper presses is the aim of a fully-automatic press control announced by Canadian General Electric. All functions of the control are selected by the operator from push-button stations in the press room. The control unit is designed to guard against overloads and overtemperatures in the motors, stop the press if the web breaks, and operate the cylinder brakes, drive brakes and safety signal system.

• • •

Fogproof Windshields

A combination cleaner and fog-proofer for lenses, windshields and face shields is claimed by a U. S. manufacturer. It is a chemically treated cloth, which is wiped across the inside surface.

W. O. BOVARD

has been appointed vice-president of sales of Canada Cement Co.

U. K. to Share Gander Airport Operating Loss

From Our Own Correspondent

ST. JOHN'S — The United Kingdom has agreed in principle to assume responsibility for at least part of the annual operating deficit of Gander Airport, which is estimated at about $1 million for the current year. (The Financial Post, Dec. 28, 1946).

Discussions with the British Government are said to have been under way for some time, long before the National Convention's Transportation Committee criticized the Commission for saddling the Island with the Gander debt. Some form of financial settlement is expected soon, to distribute the Gander deficit for the balance of the Commission of Government's tenure of office.

It is understood the United Kingdom will assume "those deficits which may not be attributed to the Newfoundland Government on account of benefits accruing to Newfoundland from the operation of Gander Airport." Nobody here at the moment is prepared to state just what is covered by those words. Apparently benefits to Newfoundland consist of steady employment provided for 1,000 workers; sale of postal and telegraph services to airlines and passengers; revenue derived from accommodation provided for grounded passengers and airlines personnel; and revenues incidental to the servicing of aircraft.

Vital Stop-over Site

Scanning the future of Gander Airport, the following factors are significant:

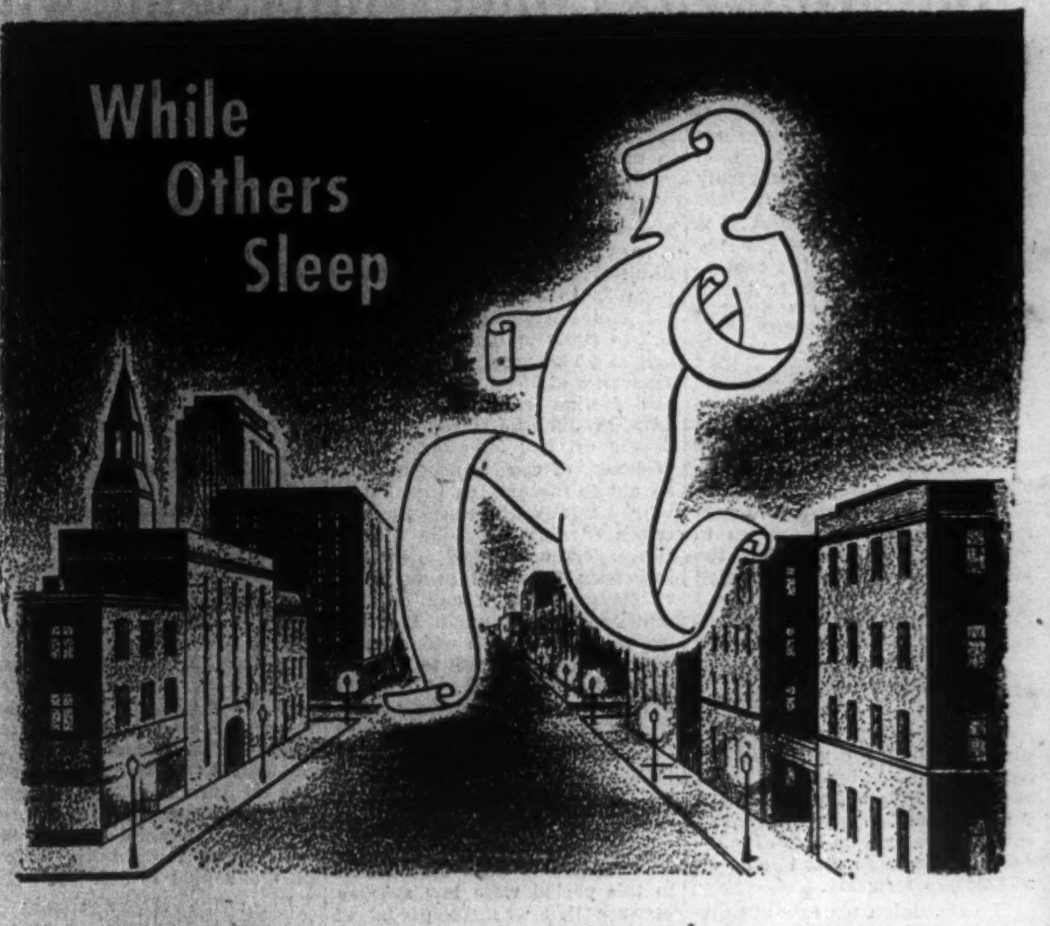
1. Gander is still considered a necessary stop-over base by airlines providing transatlantic passenger and freight service.

2. A stop-over at Gander for re-fuelling cuts the distance of the shortest transatlantic flight by one quarter or one third, enabling airlines to increase pay loads.

3. It was essential for the British Government to make arrangements with the Newfoundland Commission for retention of control of Gander so Britain would not be handicapped in her attempts to capture a fair share of transatlantic air traffic; the United States was in a position to operate sooner and on a much larger scale.

4. The Director of Civil Aviation of Newfoundland has voiced the opinion that, even with larger aircraft of longer range in the future, the importance of Gander will not diminish at least within the next two decades.

It was suggested by a delegate of the National Convention that an increase in landing fees to $300 per aircraft would eliminate any deficit for Gander. Another delegate pointed out that such a fee increase would produce a surplus of $2 millions a year, and insisted that the Commission was not in the air traffic business to make money.



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The Financial Post

Vol. XLI | Member of Audit Bureau of Circulations | Publication Office: Toronto, March 8, 1947 | Fifteen Cents an Issue, Five Dollars a Year | No. 10

B.C. Is Getting Its Industrial Second Wind

New Industries Developing And Older Ones Expanding As Coast Business Grows

By GORDON L. SMITH

British Columbia is a busy, fast-growing province getting its second wind. During the war it emerged from the pioneer stage of exploiting a few basic industries and entered into a period of diversification.

Ten years ago, on the fingers of one hand, you could count its leading industries, and on two, its major products. You can't do that today.

More than 1,500 new companies with a capital of close to $100 millions were organized in British Columbia during 1946, according to Hon. Leslie Eyres, Minister of Trade and Industry. Of these more than a third with a capital of $63 millions are interested in industrial production.

Tables on this page list major new industries and expansions of established industries on the power lines served by B. C. Electric Co., on the lower mainland and southern Vancouver Island.

While lumbering still remains the dominant basic industry, there are more than a dozen of other husky giants growing up along side and beyond that again scores of other smaller lines with promising futures.

Content or forced by circumstances to depend largely on the export of raw materials during the first 50 to 60 years of its provincial existence, emphasis has now swung toward greater processing and manufacturing of these materials at home.

In the early days it was mainly a case of chopping down the big trees and selling them to outsiders, of catching the flush of the salmon runs, salting and selling them, of digging out the ore and letting someone else do the refining and processing. And aside from some specialized apple growing, agriculture was largely an appendage to lumbering, mining and fishing. The little surplus of products over and above the farmer's own needs went to eke out the food supplies of the camps, mills and cities.

It was necessarily patchy development, because transportation in this province of mountains, narrow valleys and widely fluctuating climates, was, and still is, the major problem in development. One of the richest provinces in the Dominion from the standpoint of natural resources, the big job was to get them out.

Tremendous Resources

For the making of a great industrial economy, B. C. has almost everything needed. It has great coal fields, the largest in Canada. It has iron, copper, lead, zinc, tin, mercury and other metals. It has timber and pulp wood galore. It has rich commercial fisheries and extremely fertile valleys. Its climate ranges from the coldest in Canada to the mildest, from the driest to the wettest. It has some of the world's finest natural seaports, lying closest on the continent to the great markets of the Orient and, via the Panama Canal, within easy range of Europe. It can offer the tourist breathtaking scenery everywhere, year round salt and fresh water fishing, big game and other hunting.

The keys to open these riches are more transportation, more people and more capital and those keys British Columbia is now endeavoring to fashion.

It is a delicate task, requiring careful balancing. One key cannot be used without the other. Transportation cannot be provided without the people, and capital cannot be employed without the transportation to and from the place to be developed. Too much of any before the other might be embarrassing, because B. C. is largely a specialized province, in areas and in industries. It is not always possible to absorb immediately any surplus of people or capital from one industry to another.

It is a high cost province, and will probably remain so. It takes costly roads and big machines to get out the lumber, or the minerals. It requires expensive ships and still more expensive gear to catch the fish; it requires money to bring farm land under cultivation and irrigation in this country of heavy bush and steep valleys.

Transportation a Key Problem

As a first requirement for entering Confederation in 1871 the new province stipulated a transcontinental railway. After a little delay that was provided, but it was only the beginning of solving a transportation problem which still ranks as formidable. There is only one other place in Canada—through northern Ontario—where you will travel such distances and see so few people and settlements. Its grand tourist country and there is timber and minerals too, but these resources still largely remain in the natural stage. Connecting transportation is still needed.

Bigger and newer machinery is helping. Mines that could not be fully developed in the old days and timber that could not be cut economically are now worth a new attempt with better equipment, but this is not always enough without roads.

The latter are being provided, gradually. During the war the Trans-Canada highway was finally pushed through to the coast, but much work still remains to be done in surfacing, railing and other trimmings. During the war too, a broad skeleton of provincial highways was laid out, some for tourist, some for settlement, some for both.

The Highway Plan

The general plan embraces three trans-provincial routes, one closely parallel to the international border, one a hundred miles or so north and following the main line of the CPR, one much farther north which will eventually hook up both Edmonton and the Peace River Country with Prince Rupert.

None of these highways is completed as the term is understood in eastern Canada or the United States. Much of the far northern one is merely projected and there are still many unpaved gaps along the others. In addition there are several north and south routes, one on Vancouver Island, three or four on the mainland. Generally speaking those that connect with the United States have been most improved, to permit entry of a steadily increasing stream of American tourists.

Last year and this, with limited budgets and more limited physical resources, the provincial authorities have been concentrating on hard surfacing the gaps in connecting roads especially those linked with the United States.

When this consolidation has been completed the next big job will be to push colonization roads north. High on the list of priority is a road into B. C.'s rich but still largely unsettled Peace River Block. Here lies the big opportunity for absorbing large-scale farm settlement. The new road will likely run north and east from Fort George, connecting with the Alaska Highway at Dawson Creek. Eventually it may form a main link in the long-talked of trans-hemisphere highway from Alaska to the Horn.

The P. G. & E.

But roads provide only one means of transport. The railway is another. Here again the problem boils down to connecting routes north and south, three lines already traversing from east to west. Two hundred miles or so up through the interior is the famous Pacific and Great Eastern, a provincial liability for years that has often been described as starting nowhere and ending nowhere.

Its southern terminal is Squamish about 30 miles away by water from Vancouver, its northern one, Quesnel about 75 miles short of Prince George and the Edmonton-Prince Rupert line of the Canadian National. Unfortunately those two gaps occur in pretty rough country, even for B. C., and especially the shorter and vital one linking with Vancouver.

Whether the province sells the PGE or not, most people in B. C. are convinced that the only possible chance of making this railway pay is to at least complete the connections.

Two big factors in the final decision will be Arctic defense and the huge coal fields which lie northeast of Prince George. Most British Columbians believe that Washington would look favorably on the extension of the PGE right through to Alaska, might indeed be glad to chip in on financing. And many people in Vancouver, which at present is largely dependent on Alberta for coal would like to see their own product come down over the PGE. To make such shipments really economical, however, an export trade in coal might have to be developed. It is claimed that this might not be so difficult as big coal deposits are rare along the Pacific Coast.

Excellent Harbors

In ocean shipping there is no worry about development either actual or potential. The Lord looked after that millions of years ago when a huge, protected waterway was scooped out south of, and behind Vancouver Island.

There is Vancouver harbor itself capable of handling many times its present heavy volume of traffic. There is New Westminster, where ocean ships can tie up in the fresh water mouth of the Fraser and have their barnacles washed off at no expense. There are half a dozen smaller ports nearby waiting for development and farther north on the mainland is the big fish and lumber port of Prince Rupert.

Across the 30-40-mile Georgia Strait is another string of natural harbors stretching down to Victoria and Esquimalt. Even on the Pacific side of Vancouver Island long channels and deep bays furnish ample protection such as is found at Port Alberni, more than 20 miles as the crow flies, from the open ocean, but naturally connected with it.

Ten years from now the population of British Columbia will have doubled, Premier John Hart predicted recently. That would mean close to two million people. Many think that Mr. Hart was too conservative in that statement, but a few are already worried about the rapid growth during the war. No matter who will prove correct there is no denying that British Columbia is growing fast.

Greater Vancouver, which claims the record for Canadian cities, added 85,000 people since 1939 and now approaches the half million mark. Victoria and suburbs added about 30,000. And the same story comes from most of the smaller cities and towns up the Fraser Valley and in the interior, while some of the new pulp and lumber cities, like Port Alberni, have doubled.

These new people have come from all over Canada and the United States. Many came in as tourists, liked the climate and came back permanently. More came in looking for war work and have stayed. The usual steady stream of retiring people from the Prairies stepped up sharply during and since the war as high farm prices allowed them to liquidate property quickly and profitably. Many men from other parts of Canada who had taken some of their air, army, naval training in B. C. got their

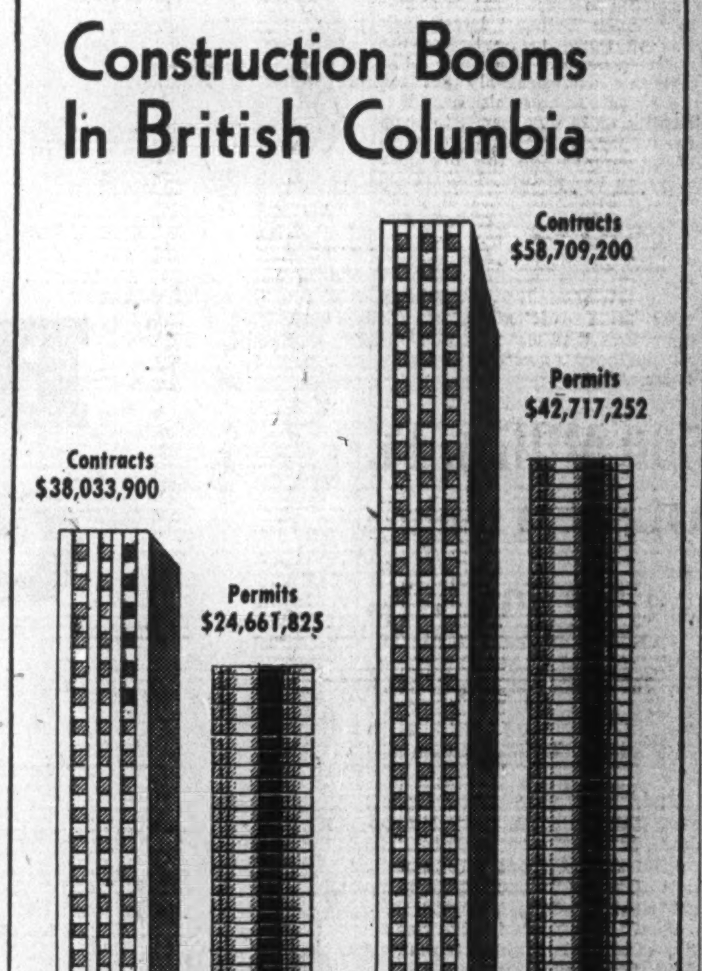
(Continued on page 31)

Plant Expansion in 1947

Firm	Product	Location	Approx. Plant Investment
I. F. Laucks Ltd.	Glues & plastics	Vancouver	$100,000
B. C. Ice & Cold Storage Ltd.		Burrard Inlet	625,000
Armco Drainage & Metals Products	Culvert pipe	Vancouver	50,000
Nalleys Ltd.	Food products	Burnaby	75,000
National Paper Box Co. Ltd.	Paper products	Vancouver	75,000
Kelly Douglas & Co. Ltd.	Food products	Burnaby	700,000
Burrard Rivet & Forgings Ltd.	Bolts and nails	Vancouver	150,000
Swift Canadian Co. Ltd.	Meat packing	Coquitlam	1,500,000
West Coast Woollen Mills	Worsted cloth	Vancouver	60,000

Projected New Industries

Firm	Location	Approx. Plant Investment
U. K. manufacturer of plywood doors	C.P.A.L. plant N. Westminster	$ 500,000
Newsprint Company (confidential)	New Westminster or North Van.	5,000,000
Western Hardware Co. (furniture)	Coquitlam	100,000
B. C. Cement Co.	Horne Lake, Van. Island	3,000,000
Century Products of B. C. (mineral wool)	Duncan, Van. Is.	200,000
British American Oil Co. (oil refinery)	Vancouver	1,000,000
Columbia Woods (furniture)	Chilliwack	100,000



Building permits issued and construction contracts awarded continue to grow in British Columbia despite the end of the war. Here's the picture for 1945 and 1946. This year, it is expected, construction will soar still higher, both in dollar volume and number of contracts awarded.

Plant Expansion in 1946

Firm	Products	Plant Location	Approx. Investment in Plant Addition
Westminster Paper Co. Ltd.	Paper products	N. Westminster	$1,000,000
A. D. Madsen Co.	Furniture	Vancouver	80,000
Western Crown Manuf. Co.	Wood products	Burnaby	75,000
St. Regis Paper Co. (Canada)	Paper products	Vancouver	320,000
B.C. Packers Ltd.	Cannery	Steveston	750,000
Daglish Chemicals Ltd.	Sodium hypoclorite	Vancouver	75,000
Shell Oil Co. Ltd.	Modern oil refinery	Burnaby	1,500,000
Canadian Bemis Bag Co.	Paper products	Vancouver	100,000
Vancouver Iron Works	Steel pipe	Vancouver	75,000
Bartram Paper Products Ltd.	Paper products	Vancouver	250,000
Canadian Mixer-mobile Co. Ltd.	Heavy machinery	North Vancouver	100,000
B.C. Distilling Co.	High-protein animal food	New Westminster	100,000
Vancouver Ice & Cold Storage Ltd.	Cold storage plant	Vancouver	200,000
Westminster Iron Works Ltd.	Foundry	New Westminster	50,000
Pacific Glucose Co.	Glucose	Richmond	50,000
Hammond Furniture Co. Ltd.	Furniture	Vancouver	100,000

New Industries in 1946

Firm	Product	Plant Location	Approx. Plant Investment
Western Match Co.	Matches	Victoria	$275,000
B.C. Tube Works Ltd.	Synthetic pig iron & cast iron spun pipes	Burnaby	210,000
Alliance Ware Ltd.	Porcelain enamelling. Pressed steel bathtubs and sinks	Vancouver	230,000
Eddy Match Co. Ltd.	Matches	Mission	250,000
Canada Kelp Co. Ltd.	Kelp products	Port Hardy & Vancouver	200,000
Pocket Umbrella Co. Ltd.	Umbrellas	Vancouver	50,000
Fibrocite Ltd.	Floor tiles from sawdust	Burnaby	20,000
Fibreweld Processes Ltd.	Process softwoods to make hardwoods	North Vancouver	75,000
Moulded Plywoods Ltd.	Rowboats	Vancouver	15,000
Felt & Textiles of Canada Ltd.	Felt products	Victoria	350,000
Dominion Oxygen Co. Ltd.	Oxygen	Vancouver	300,000
Litecraft Ltd.	Laminated boats	North Vancouver	20,000
Abbotsford Fire & Pressed Bricks Co.	Bricks and tile	Abbotsford	100,000
Mouldcraft Plywoods	Furniture	North Vancouver	20,000
Woodwork Industries	Pinewood furniture	Vancouver	20,000
John Dean Ltd.	Novelty woodenware	Vancouver	20,000
Alexander Metal Products Ltd.	Aluminum, toys	Vancouver	20,000
Chinook Supplies Ltd.	Building materials	Burnaby	50,000
Scientific Industries Ltd.	Optical glass	Vancouver	25,000
S. & G. Cement Products Ltd.	Building materials	Vancouver	25,000
McColl-Frontenac Oil Co.	Oil refinery	Barnet	1,000,000

Tourist Industry Brings $40 Millions to Pacific

Last year 178,000 foreign registered automobiles, practically all from the United States, crossed the border into British Columbia. In addition, thousands of Americans entered the province by rail, boat and plane as well as large numbers of fellow Canadians from the Prairie Provinces and eastern Canada.

In all, these travellers spent close to $40 millions in B. C. making the tourist industry the third most important revenue producer.

This year the authorities are budgeting for a modest 10% gain. They expect at least 200,000 American cars and corresponding increases in other forms of transport. Eventually, however, when the roads and other accommodation are available, enormous expansion is anticipated with the tourist industry producing more new wealth than any other in the province, except manufacturing.

To the visitor British Columbia offers almost everything, and with few exceptions, a complete change from what he has at home. It is a province of magnificent natural scenery and sport galore. There are mountains, valleys, forests, fiords, salt and fresh water, sandy beaches. There is fishing every month in the year, from fighting brook trout to 100-lb. salmon. There is shooting from grouse to grizzly bear. There is mountain climbing, skiing, golf, swimming, and sailing. There are luxury hotels and lodges and there is the most primitive of camping.

All Kinds of Climate

There is a range of climate from the almost snowless lower Vancouver Island and mainland, to 60 below and 14 ft. of snow in the interior. There are valleys along the coast where a heavy rainfall and mild climate have combined to produce the biggest trees in Canada, and there are high inland valleys where the sun shines almost constantly and without irrigation, there would be near desert.

Potentially the province has almost anything a tourist could desire, the difficulty, in this as in other industries, is to make it accessible. Only transportation can do that, and it is on better transportation that those interested in the tourist industry are concentrating. Road and rail building is more costly in British Columbia than in any other province in Canada.

Big mountains, steep canyons with rushing rivers that may rise or fall 20 feet in a single night, tremendous variation in elevation and temperatures, all combine with long distances between settlement and small population to make roadbuilding a tremendously expensive undertaking. In some places through the mountains, costs run $150,000 per mile for only a gravel road, with hard surfacing, railings, and other trimmings extra. The bills for bridges alone, are enormous.

In all there are about 22,000 miles of road maintained by the provincial government. Rather than spread their new spending over all this network, in recent years the authorities have concentrated on the most necessary to boost the tourist industry and to relieve settlement hardship.

British Columbia Offers Year-round Attractions to Tourists and Is Laying Long-range Plans to Lure More of Them But Cost of Building Highways and Bridges Is One Handicap.

Three Main Highways

On the mainland there are three main highways, two east and west, one north and south. Farthest south is the Trans-provincial, starting at the Crow's Nest Pass, the second, the Trans-Canada from Banff. Both of these come together along the lower Fraser and end at Vancouver. The main north and south is the Cariboo, which branches off the Trans-Canada, in the centre of the province and runs almost due north to Prince George, on the Canadian National's Prince Rupert line, and from there is scheduled to hook-up with the Peace River block and the Alaska Highway and also with a northern Transprovincial, planned to connect Prince Rupert and Jasper. In addition there are two shorter provincial highways running north up through the main interior valleys and tying the two east and west roads together. On Vancouver Island a main highway runs along more than half the east coast from Victoria to Campbell River, with a branch to growing Port Alberni and a start has been made up the west coast from Victoria toward Port Renfrew.

On these main highways, connections to them, and shortcuts, the provincial authorities are planning to concentrate this year.

Previously, and especially during the restricted war years the big job was to get good road connections with the United States. Thus the western paved ends of the Trans-Canada and Trans-provincial routes were linked with paved U. S. highways coming up from Seattle and other Washington points. Another paved connection joined the north and south Okanagan Highway with the U. S. and another with the Kootenay highway farther east.

These and two or three other entrances opened three of the most scenic areas in British Columbia to U. S. visitors—the lower Fraser, the Okanagan Valley and Golden-Lake Louise. Now the next job is to tie these north and south highways together. They are, of course, linked by gravel stretches along the Trans-Canada and Southern Trans-provincial but not always by hard surface.

Major Highway Job

Another major job is the extension of the Southern highway through Manning Park to Hope, thus by-passing a 200-mile detour via Spences Bridge. Actually this Hope-Princeton link was first considered a hundred years ago but it remained in that stage until a growing tourist traffic made its building feasible.

Within at least the next decade and quite possibly much sooner it will be possible not only to travel across British Columbia on hard surface highway all the way, but to enter by one route and return by another.

But paved highways are not the only thing B. C. is planning and building to attract tourists. Hotels, lodges, camps and other accommodation along these new roads must be provided and again the job is expensive due to distances and rugged topography. However, taxpayers and others sharing the expense of development are convinced that a highly lucrative trade can be built up.

In British Columbia, the enquirer is told, the tourist trade is in a special category. It is essentially big business. Except in very limited areas, it is not an overnight or weekend proposition. When a visit is planned to B. C., nine times out of ten it is a fairly long one and involves a considerable outlay of money. One does not come to this province for a meal, a show or a picnic. Hunters or fishermen often spend from $10 to $100 a day for guides, packhorses, transportation and supplies. The big problem is to make the scenery, fishing and hunting accessible. Once tourists can get into where they want to go there is no worry about entertaining them.

Few countries offer keener thrills or rewards for hunters, and the big-game hunter, whose marksmanship, lungs and legs are equal to the test which the sport imposes, is certain of magnificent trophies.

In few cases is it necessary to travel far from steel or main highways to reach the country where the game is found, but it must not be supposed that the game itself is secured without effort.

The big-horned sheep, wapiti and caribou; tall and rangy moose; giant grizzly; goot, deer, black and brown bear, wolves and cougar all provide an ample range for even the most enthusiastic hunter.

Seed Growing, Born of War Emergency Is Now Flourishing Industry in B. C.

Expect to Hold Some Gains Made During the War

Eighty per cent of the vegetable and flower seeds produced in Canada are grown in British Columbia, and the proportion for flowering bulbs is still higher.

This specialized farm industry got its real start during the first Great War when most of the seed producing areas of Europe were cut off. After the return of peace and a sharp fall in world prices B. C. growers faced the toughest sort of competition from Europe and California and their industry contracted sharply. But it did not disappear and that which survived came through with quality improved and operating methods much more efficient.

Well Established Pre-war

By 1939 the industry, though small, was firmly entrenched with good varieties and much special know-how behind it. Excessive costs had been trimmed, production had been stabilized and quality and uniformity of varieties had been greatly improved. There was a limited sale of B. C. vegetable and flower seed and bulbs to eastern Canada, a trickle to the United States, and steady and much larger volume to Great Britain. The latter, in fact, took the great bulk of the production, which was perhaps a natural development as it cost much less to ship by water to England, via Panama, than it did by rail to Ontario or Quebec.

It was a mighty lucky thing for Canada and her allies in this war that the B. C. seed industry survived. When Germany walked over Denmark, Holland, Belgium, France and Hungary the great vegetable seed and bulb growing areas of the world were cut off. There was literally a famine in seeds, with hardly any producing areas left open except British Columbia and California.

In addition to expanded orders from their own countries, Britain and Russia clamored for supplies. Production was expanded as quickly as possible but, as it takes two years to produce most lines of commercial vegetable seed and before that there must be foundation stock, it was not until after the second and third year of the war that volume could be stepped up materially.

Before the war vegetable seed production in B. C. was estimated at $50,000 annually. At the peak of wartime production it was up 30 times in value to $1.5 millions and at least 10 times in volume. During the same period the area devoted to bulbs—tulips, narcissus, gladiolus, Dutch Iris and a few hyacinths—increased from 150 acres to 500 and flower seed production in like proportion though more gradually during the actual war years. Now the whole industry, with the exception of flower seed, is contracting as Europe again comes into the picture. Vegetable seed production will be down about one third this year and perhaps as much again in 1948. Prices have declined.

Most observers knew that this contraction was inevitable but they expect that even after it has run its full course the industry will be left with substantial gains over pre-war. They cite several reasons. While costs of production have again risen and are much higher than in 1939, they have also risen in Europe and are not expected to decline there to anything like the pre-war figures. Again, good markets and good prices have permitted growers to buy special machinery and other equipment, to improve quality and grades; in short to get further established. They are now confident they can meet much of the renewed competition from Europe and in certain favored lines can compete with California, too.

With bulbs the situation from the B. C. grower's standpoint is not so satisfactory. Dutch exporters they claim flooded the Canadian and other markets last year at less than cost. They hope some arrangement for more orderly marketing can be made. Like vegetable seed prices which started to decline last year, flower seed prices have weakened too but the demand is still firm and is expected to continue for everything that B. C. can produce in the immediate future. As with certain favored vegetable lines, the cool wet climate of southern B. C. seems to turn out some varieties of flower seeds of exceptional quality and a brisk demand for these has sprung up in the United States. Pansies are one example.

In a province where parctically all agricultural production is specialized this vegetable and flower seed business is by long odds the most highly developed. Often custom-built equipment and machinery must be used, and even with this there is a tremendous amount of hand help also required. Varieties must be grown separately, in some cases only one to a whole community. In certain instances one grower may concentrate on one flower or vegetable, it may be that is his entire crop. Prices run from a few cents a pound for beans and peas to 75 cents to $1.25 for cabbage and tomatoes. And flowers are much higher. A grower of 200 pounds of a certain good pansy, for instance, may get as high as $30 per pound, and have a total crop of half a ton or more.

In field seeds, red clover, alfalfa, alsike, timothy, peas and beans the market is firm with a good demand for everything that can be produced this year.

Sockeyes Beat Hell's Gate

1946 Reports Show New Weir Helps Fish to Inland Lakes

By design or accident, man often interferes with nature's ways. In 1917, a blast on the bed of the Canadian Northern Railway sent man-made rockslides into the Fraser Canyon, 130 miles up the river from the Pacific Ocean. Here is discussed the effect of that slide on the Pacific's four-year sockeye salmon cycle, and what man has done to repair the damage caused 30 years ago.

From Our Own Correspondent

VANCOUVER — Sockeye, one of Canada's most important fish, whose gradual disappearance from the Fraser River was spelling disaster to the salmon industry, is getting ready to stage a comeback.

Completion of the million-dollar fish weirs in the Hell's Gate Canyon on the Fraser last year is believed responsible. It will be four years before the full benefits of this novel work will be seen, because the maximum sockeye salmon run comes in four-year cycles and the fish need that period to mature, but already the experts report more spawning and fingerlings for the first time since the channel was blocked, in the waters above the Canyon.

Sockeye Gaining

While there was the usual drop in the salmon caught in 1946, because it was a poor cycle year and also because certain fishing grounds were closed or restricted, the important thing was the percentage of sockeye caught actually increased. Over 500,000 cases of 48 pounds each, compared with 329,001 cases, last year. The overall amount of salmon packed, 1,347,608, was down from 1945's 1,739,311 cases.

By-passing of Hell's Gate of course cannot be credited with the sockeye increase yet, but general conservation measures of which the weirs at the gate are a part, has much to do with it. Temporary closed seasons here and there along the coast, when depletion of foundation stock threatens is probably the most important of these measures so far.

Guard Against Overfishing

Pacific Coast fishermen point out that 1946 was a poor year. But they don't complain for they know that some fishing was restricted to allow the salmon to escape up the river and propagate their millions in the shallows of the Fraser's lakes and tributaries.

The closed periods were established by the International Pacific Sockeye Salmon Fisheries Commission, a body composed jointly of Canadian and American fishing experts and scientists.

This group was responsible for construction of special fish weirs at Hell's Gate, a rock-bound canyon, 130 miles up the Fraser River, which for more than 30 years has been a death trap for millions of fish. These weirs went into use for the first time during the 1946 run up the Fraser and were directly responsible for the fact that the number of sockeye reaching the spawning grounds in the interior lakes and tributaries is two to four times greater than in 1942, the previous cycle year.

And of course other species of salmon, springs, chums, etc., that use the Fraser also benefit. These other fish are important, too, but from the canning standpoint, sockeye easily head the list.

More fish spawning in the waters in the interior of B. C., means more returning from the ocean in the three- and four-year cycles that govern the life of the Pacific salmon.

Members of the International Commission, as they continue their studies and overcome further obstructions along the boiling Fraser, expect that the fish will continue to increase each year until they reach the huge runs which Hudson's Bay officials found when they first started catching and salting salmon along the Fraser in the 'sixties.

The problem of closing the fishing season for a time, is one of the most difficult that faces the International Commission, A. L. Hager, chairman, and head of the Canadian Fishing Co. reports.

"This season the Commission had to assure adequate escapement and some time during the season the fishery had to be closed to allow sufficient fish to ascend the river. This was the first time that guides to measure the relative size of the run were put into practical use in regulation, and frankly many sleepless nights were spent pondering the decisions which had to be made," Mr. Hager said.

"The progress of the fishery from Cape Flattery to Mission on the Fraser River was followed by the staff which collected records of the total catch, and the catch of each boat in each area.

"The Commission knew at all times during the season, the total number of sockeye that had been taken within less than 24 hours after the fish were landed. The volume of the escapement to the spawning grounds was closely watched through the daily catches of the Commission's biologists at Hell's Gate.

"Comparison of these measures of the 1946 run with similar records from 1942 enabled us to maintain a constant watch on the relative sizes of the 1946 and 1942 runs.

Few Fish Moving Up

"At a meeting of the Commission in Bellingham on Sept. 21, the Commission decided that because the Canadian catch was exceeding the American too greatly, contrary to treaty agreements, and because few fish had arrived at either Hell's Gate or the South Thompson, it was imperative that the fisheries of both Canada and the United States be closed.

"Latest figures on the 1946 catch show that the United States took 3,573,804 and Canada 4,200,279 fish, making a total of 7,774,083 sockeye.

"We find that in 1946 Canada took 54% of the total catch while in 1942 it caught 63%. Further, in 1946 the total U. S. catch was 651,990 fish more than in 1942. The total for Canada was 842,320 fish less than for 1942.

"I want to point out that actually in 1946 the combined effort of the two countries took 976,961 or nearly one million more fish between July 25 and Sept. 25 than in the same period of time in 1942."

Rock Blast Caused Blockade

The salmon runs were disastrously cut when in 1917 tons of rock blasted from the roadbed of the Canadian National (then Canadian Northern) Railway choked the Fraser Canyon at Hell's Gate, nearly 130 miles up river from the Pacific. Actual statistics show Fraser River catches reduced by 30-60% following these man-made rock slides.

The slide narrowed the river at its narrowest point and in subsequent years the salmon returning to spawn had more and more difficulty negotiating the rapids.

Especially when the water was low and the rapids resembled a series of falls, there were tremendous losses to spawning fish. In such seasons they piled up and died in the millions around the Gate and there was little spawn planted in the tributary rivers and lakes above.

Because of the sharp fall of from 25 to 40 feet at low water, ordinary fish ladders would not serve. Instead two parallel weirs on each side of the river were constructed of heavy concrete and at a cost of a million dollars. By a series of baffle walls, water going through the weirs is channelled into a chain of small whirl pools with backwaters in between. Ascending fish leap up from one pool to the next and higher one and rest when they want to in the backwaters. At high water the weirs may be completely submerged but are not needed then as the fish can push up the main current. It was the sharp drop in depth and tremendous and prolonged current of the Canyon during low water that defeated their previous efforts to get up stream, to spawn and die.

Actual tests, through tagging fish and measuring spawn and fingerlings above show that the new weirs have successfully passed through a large percentage of salmon. Fish were caught below the Canyon, tagged and then released. In a short time the same fish were taken out of the river in good condition well above the former obstruction.

While structures were being designed for Hell's Gate, studies were made at Bridge River Rapids, Farwell Canyon, and at other suspected obstructions to salmon, up the river.

"At the end of the five-year program, sockeye will be able to ascend to spawn without danger of loss or delay," Mr. Hager reports.

Buoyed by the results of the first actual operating season of the fisheries and the findings of the scientists, the Commission expects fishing will have to be watched and sometimes reduced within the next few years, to allow enough salmon to reach the spawning grounds to rebuild their race.

However, fishermen, members of the Commission and residents of British Columbia see a possibility of years like 1913 returning when the waters off the Fraser mouth produced a catch of more than two million cases of sockeye salmon of the highest quality.

CONIAURUM MINES reports estimated net profit, before write-offs, of $11,309 in three months ended Dec. 31, 1946 ($50,813 in similar period of 1945). Bullion production amounted to $223,556 from 28,655 tons of ore milled in the 1946 quarter and $281,962 from 26,940 tons in the 1945 period.

Domestic-Foreign Trade Office In Vancouver, First in Canada

From Our Own Correspondent

VANCOUVER—First domestic-foreign trade office in Canada will be opened here May 1.

The office, which will provide trade information to importers and exporters, helps firms seeking export permits, assist foreign trade missions and supervise tours of homecoming trade commissioners, will be under the direction of H. W. Brighton, who has had wide experience in the Department of Trade and Industry.

G. R. Heasman, director of the Dominion Government's foreign trade service, stated that the office will do much to help Canada's foreign trade.

"We've got to do a real job of selling, if we are going to maintain our place in world markets," Mr. Heasman said, forecasting that a large number of products will soon be removed from export controls, and voicing hope that all controls would be ended before long.

As well as handling direct foreign trade business, the new office will bring the services of the Export Credit Insurance and Canadian Commercial Corporation to B. C. firms.

Opening of the office will greatly assist western businessmen who are interested in importing and exporting. Previously all queries had to be answered from Ottawa.

Private Wire Connections with all Security Markets

A. E. JUKES & COMPANY

STOCKS — BONDS

Members: Vancouver Stock Exchange
Montreal Stock Exchange
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A. E. JUKES & CO., LIMITED

Investment Dealers

Members: Investment Dealers Ass'n. of Canada
B. C. Bond Dealers Association

840 Hastings Street West VANCOUVER, B.C. PAcific 5311

British Columbia Lures Hollywood Cameras North

From Our Own Correspondent

VICTORIA — The scenic wonders of British Columbia have again drawn Hollywood to the province.

Sidney Salkow, Columbia Pictures director, spent a considerable part of February in Victoria arranging to shoot location scenes of "Smoke Bellew," latest Jack London novel to go before the movie cameras. The Lake Atlin territory will probably get the nod because of a promise from that locality of 15 dog teams, to form the nucleus of a total of 45 teams of malemutes for the big race scene in the picture. Hell's Gate on the Fraser River, will probably supply rapids scenes. Department of Trade and Industry and provincial police are co-operating.

The trip of the Hollywood party took them over much of this province's wild areas by airplane and included a side trip to Whitehorse, Alaska.

500 Million Ft. Of B. C. Lumber To Go to U. K.

From Our Own Correspondent

VANCOUVER—Britain is to buy more than 500 million board feet of B. C. Coast lumber this year, Sir Archibald Harris, British Timber Controller, announced here.

The order, one of the largest ever placed by the United Kingdom, will involve at least $25 millions, and "possibly double that amount," one lumberman has stated.

Deal was made with the Coast's three largest timber exporters, H. R. MacMillan Export Co. Ltd., the Koerner interests, and Seaboard Lumber Sales Co. Ltd. Contracts call for nearly 100 million board feet more lumber than Britain received from this coast last year. Prices will also be higher than the former basic level of $49 per 1,000 board feet which prevailed for previous purchase. (Average price of lumber here is approximately $35 per 1,000.)

"Such purchases will not affect the supply of building material available for use in Canada, but may result in considerably reducing the volume for export to other countries," a statement issued by British delegation said. "We have agreed to accept practically all grades arising from the manufacture of logs of all species."

Total output last year from Vancouver forest district, was 1,610,000,000 feet. Thus Britain will be obtaining nearly one third of this area's production for the next 12 months, on past figures.

The new U. K. deal with B. C. producers is for 16 months, to June, 1948. It succeeds a two-year agreement expiring this month.

Base price is just over $60 a thousand feet, or $10 to $12 above the earlier deal. Britain will get increased selectivity, it is understood, choice of the best B. C. grades.

Britain will get 40% of B. C. output, instead of the former 35%. Since total B. C. shipments in 1946 approximated 1¾ billion feet, Britain under the new contracts stands to get B. C. lumber and timbers at an annual rate of about 700 million feet.

In the East, new British contracts placed last fall on a free quota basis call for shipment of 275 million feet, mostly (230 million feet) softwoods.

Municipalities Have Say on Business Tax

From Our Own Correspondent

VICTORIA — Civic fathers throughout British Columbia are breathing easier these days after Cabinet assurance that one of the recommendations in the Goldenberg Report on provincial-municipal relations will be imposed only on request from the Union of British Columbia Municipalities.

The Recommendation called for imposition of a business tax by municipalities and the matter came up for considerable criticism. The question will be discussed at the annual convention, according to Mayor W. C. Hamilton, of Port Alberni, president.

New Fishery Plant And Dock Are Planned

From Our Own Correspondent

VICTORIA—Western Fish Co. (Canada) Ltd. established here only two years ago, now has plans complete for a new building and dock on waterfront property. Present expansion in this port's Inner Harbor is already the greatest in history. The building will be a modern fish-handling plant and the large dock will enable several large packers to unload cargoes at once.

INTERNATIONAL NICKEL CO. OF CANADA reports appointment of Dr. William A. Mudge as director of technical service section of development and research division of International Nickel Co., Inc. William F. Burchfield has been named assistant director. Donald J. Reese, while continuing to head the iron and nonferrous casting section of the division, will also be in charge of its field sections. J. W. Sands is head of engineering steel division; Dr. V. N. Krivobok, stainless steels and T. N. Armstrong, Jr., railway and cast steels.

SPLENDOR SINE OCCASU

BRITISH COLUMBIA 1947

The Province of British Columbia has much to offer, both to the individual investor and to the large corporation seeking a field for capital expansion and development.

Through the past several years, by the consistent application of the basic principles of sound government, the Province has established itself in a pre-eminent position within its financial field. British Columbia is now in a position to undertake the orderly expansion of governmental functions that was delayed during the war years and which its rapidly increasing population and extraordinary primary and secondary industrial development now require.

Due to the sound financial position of the Province, all necessary expansion both of a current and a capital nature can be undertaken without any undue burden on the economy of the Province. To illustrate the present favourable position, it should be noted that the per capita interest charges on the public debt have dropped from $11.01 in 1933 to $5.90 at the close of 1946, a decrease of 46%. That this factor is appreciated by the investor is well illustrated by the prices prevailing for British Columbia securities on the open market at the present time.

DEPARTMENT OF FINANCE
— H. Anscomb, *Minister*

PROVINCE OF BRITISH COLUMBIA

Forests Supply B.C.'s Main Wealth

High Prices Permit Opening Formerly Inaccessible Areas

Record prices and incessant world demand have solved British Columbia's forest troubles for the time being. More timber is being cut than ever before; more is being shipped, but throughout the country there has never been a greater shortage of finished lumber.

The paradox is explained by abnormally high demand both domestic and export. With few exceptions the cities and towns of Canada are all building new houses and that means lumber and still more lumber. And the same is true of Africa, Australia, United States and scores of other good buyers of Canadian lumber. And all this comes at a time when Great Britain and practically all Northwestern Europe is trying to repair the destruction of the worst war in history. The United Kingdom alone, it is estimated, could take the entire lumber output of British Columbia for the next five years and still be unable to rebuild the millions of buildings damaged or destroyed since 1939.

The British Columbia lumber industry is turning out 3.5 billion feet a year, worth at present prices around $150 to $175 millions.

B. C.'s Biggest Industry

Gross annual value of all forest products in the rough, that is raw material only, for lumber, paper, wallboard, chemicals, etc., is estimated at from $150 to $160 millions, making the forest products industry easily the leader of the Pacific province. But only a little of this wood is exported in primary form—logs and pulpwood. A steadily increasing percentage is manufactured within the province into lumber, structural timber, shingles, paper, pulp, veneers and wallboard.

Most valuable tree is by long odds the lordly Douglas fir which in the wet, mild climate along the coast reaches tremendous girth and height. Close behind come the big cedars, the backbone of the shingle industry and spruce, the principal raw material for paper and pulp.

At one time these three trees, and especially the fir and cedar, were about all in which the forest industry was interested. But that is not the case today. Hemlock, larch, birch and a dozen or so lesser trees have also found a place, and at the same time a great deal more use is made of what was once considered the waste in handling the main species.

Making It Go Farther

For that development newcomers, especially from Europe must be given a good deal of the credit. Frankly horrified at the amount of salvageable materials that went into the burners, and at the custom of lumbermen to ignore second quality species like hemlock, poplar and birch, these people have introduced new economies and efficiency in B. C. harvesting methods.

Before the war there were some rather pessimistic people among the lumber and pulp operators in British Columbia. All the big available cedar would be cut in 15 years, they predicted, and most of the big fir, not much later. Now you don't hear much of that sort of talk. Most prognosticators have raised the limits to at least 60 years and some of the more optimistic claim that the forest industry could go on at its present record rate of cut indefinitely. In other words, they maintain that present growth equals or exceeds present cut plus a normal loss from fire, insects and disease.

Whether or not that represents too extreme a swing it is certain that B. C. is cutting more wood today than was anticipated say a decade back. The reason lies largely in high price and high demand. Timber considered inaccessible before the war, has now been opened by new roads and logging railroads. And there is still tremendous resources of timber farther in the northern interior if the consumer thinks he can afford the price to make its harvesting possible.

Say Lumber too Cheap

Some B. C. lumbermen, many of them in fact, will tell you that the consumer, especially the Canadian consumer has long been getting his lumber too cheap. Sooner or later, they argue, the public will have to get used to much higher prices and when that day comes, then there is no reason why the B. C. lumbering industry, now largely confined to the coast, the rivers and the main line railways, will not spread far into the interior. But if these "much higher prices" advocates are wrong, and the price of lumber in the next few years recedes from around present levels, then there are many observers who look for trouble, because, they say, the lumber end of the forest industry is more vulnerable than it once was.

Today the lumber industry is almost entirely in the hands of big operators because costs are big. Sixty years ago when David Oppenheimer, first president of the Vancouver Board of Trade saved Standey Park's big trees from the lumberman's axe it didn't take much capital to get into the business. All that was needed was experience, foresight and very little money. Now when the bulk of the timber is coming from far up the coast, or back in the mountainous interior, that is not the case.

Roads and railroads must be built and in B. C. that sort of thing takes great chunks of capital. And again if the lumber operator wants to safeguard his already big investment by diversifying through the addition of pulp, newsprint, building board or other allied and natural lines, then he must be prepared to spend more millions.

Now the difference between a profit and a loss in these big companies is usually pretty slim and especially during recent years when taxes have been aimed at keeping any gains close to the vanishing point. Sharply lower prices for their finished products, with labor and material costs at unprecedented levels, might be embarrassing to absorb. It is one thing to get timber out of some distant, mountain ringed valley with the resulting lumber selling at $40 a thousand. It might be a more difficult feat to get it out and sell at $30.

Combine With Pulp Mills

While the high price has been the major key for opening up new forest resources during the war, there have been other factors too. Chief of these is better use of the resources being opened, hence more volume of merchantable products and more revenue. In the old days it was largely a case of big, clear, top-class lumber and high-grade shingles. About everything else was thrown into the burner or worse still, left in the bush where it became an immediate fire hazard. In recent years, and especially in the last decade, there has been an amazing change and for the better.

The pulp and paper end of the industry has been expanded and a good deal of this is based on what was formerly regarded as either waste materials, or trees not worth bothering about. Now there is increasing interest in combination-lumbering and pulp operations. Into the latter goes the waste material of the former, the smaller logs, slabs etc. Eventually the big Bloedell, Stewart Welch mill at fast-growing Port Aberni, for instance, will operate entirely on waste from the adjacent lumber mill.

The new veneer and wall board plants are either operating on what used to be thrown away, or using trees that once were not considered worth cutting. And the straight lumber mills, too, are now cutting up and turning into boards and structural timber, trees considered worthless in the early days.

Properly handled these make fair quality lumber and for some special purposes, veneers and furniture, for example, even more desirable lumber than fir or cedar. Built up veneers, too, can often make use of some lower grade wood in the centres and by punching out the knots and replacing with clear, can use on the outside timber that would only make second or third grade if sawn into lumber.

The forest industry of British Columbia has not quite yet reached the stage of the modern pork packer who claims to utilize all the hog but the squeal, but it is working in that direction.

Growth in B. C. Lumbering

	1944	1943
No. of mills	498	411
Employees	15,274	14,989
Salaries and wages	$27,110,882	$25,453,959
Fuel used	806,059	1,319,826
Cost of materials	51,324,211	42,784,719
Gross value of production	98,381,844	87,069,697
Net value of production	46,251,574	42,529,541

Symbol of British Columbia's forest industry is this giant spruce, 10 feet in diameter, on which axemen have made the cut to direct the tree's fall after it has been cut through with a power saw. Valued at $150 millions "in the tree," B. C.'s forestry cut is running at 3½ billion feet annually.

High Pay and Many Jobs Keep B.C. Income at Peak

Per Capita Total Above Canada's Average — British Dominate Population of Older People, Married Couples

From Our Own Correspondent

VICTORIA — British Columbia's large consumer public, drawn from a population now in excess of 1,000,000, is predominantly British, prosperous, well educated, and high in proportion of older people and married couples.

These are a few of the conclusions drawn in a 118-page report this week by the Provincial Department of Trade and Industry.

"British Columbia as a Market" aims at informing Canadian business on the number of customers, their location, characteristics, finances, effects of the tourist industry, past use of incomes, distributors, climatic and geographical factors affecting markets.

Due to geographical factors, approximately 70% of the total population lives in a small section composed of the combined coastal plain and river-valley of the Lower Fraser River, and the southern and eastern half of Vancouver Island. The remainder are widely dispersed.

Some 58% of the population is classed as urban, falling between Quebec and Ontario on one hand and the Prairie Provinces on the other. By racial groups, residents from the British Isles make up 69.86% as contrasted with 49.67% for all of Canada. Other Europeans make up 21.46% here as against a national average of 48.03%. Asiatics and other groups are higher than other provinces at 5.19% and 3.49% respectively.

Religious denominations find Anglicans in a majority, followed by the United Church of Canada, Roman Catholic and Presbyterian.

Income Above Dominion Average

B. C. figures show the British Columbia worker has consistently topped by a considerable total the average per capita income for Canada. In 1945, the index of employment in B. C. and Canada was balanced at 175.1, but the previous year the B. C. figure was 185.7 against 183 for all of Canada.

Net income of farm operators in the province in 1945 was $44,722,000, of a total of $1,004,299,000 for the nation. Cash income from the sale of farm products was $73,709,000 in B. C., of a total of $1,685,846,000.

Effects of the tourist industry on purchasing power of the people of the province may best be judged by the confidence of the Minister of Trade and Industry, Hon. Leslie Eyres, that it will bring $50 millions annually during the next few years.

He believes that "young and growing giant" brings new money, new ideas, new customs, and new industries.

Data on farm housing in B. C. contrasted with the Dominion, is also interesting. Although there are fewer persons and fewer rooms per farm household, the home is more valuable, probably has inside running water, is heated by a wood stove, has far more bath tubs and inside toilets.

Need Autos and Telephones

Although more than the average number of farmers have radios, electric vacuum cleaners and mechanical ice boxes, less have automobiles and telephones.

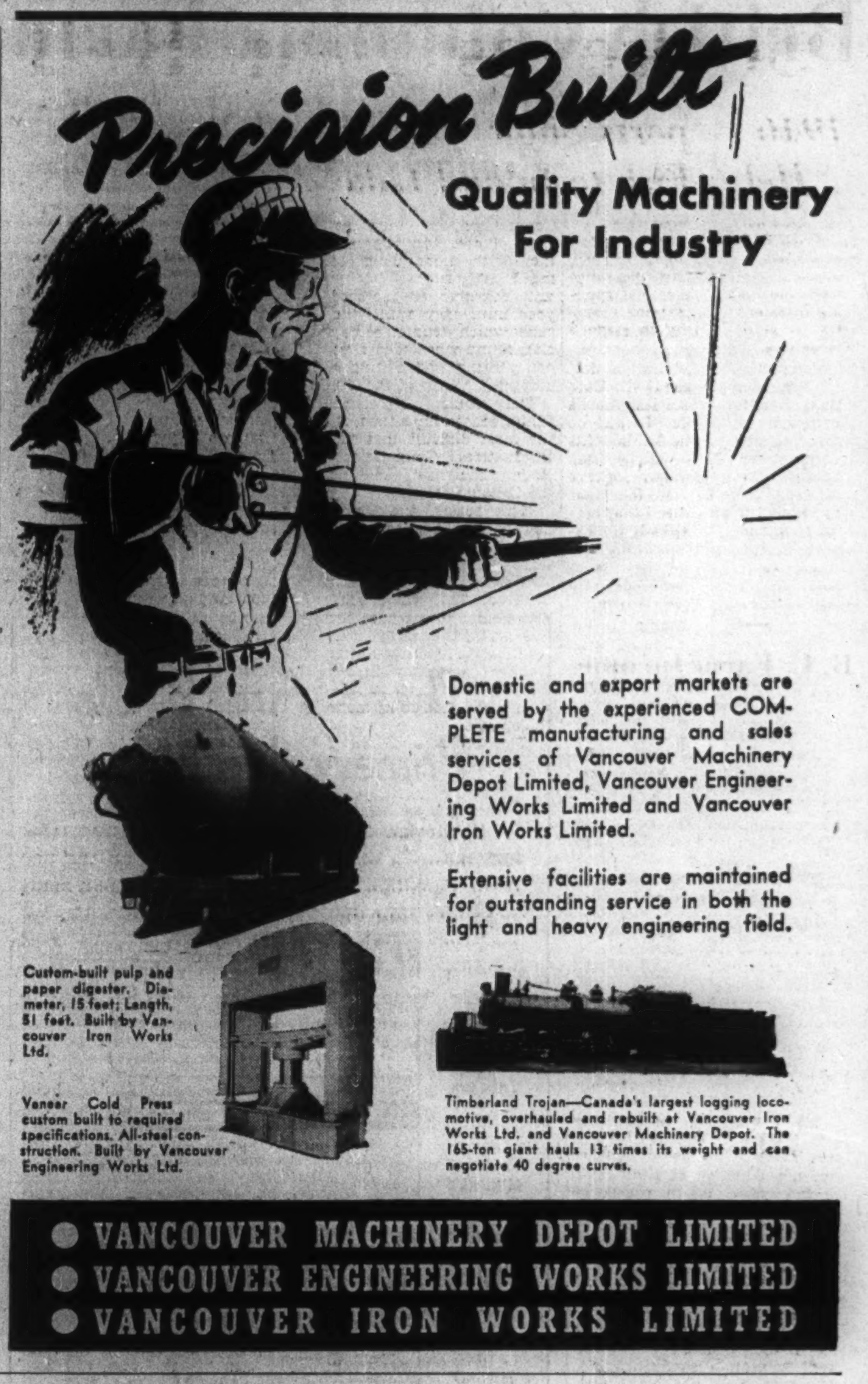
Estimated retail sales for the province in 1944, latest year available, total $390,584,000. The breakdown is food, $90,800,000; country general stores $23,765,000; general merchandise, $70,038,000; automotive, $34,252,000; apparel, $36,950,000; building materials, $23,387,000; furniture radio, household, $11,354,000; restaurants, $25,606,000; other retail stores, $74,432,000.

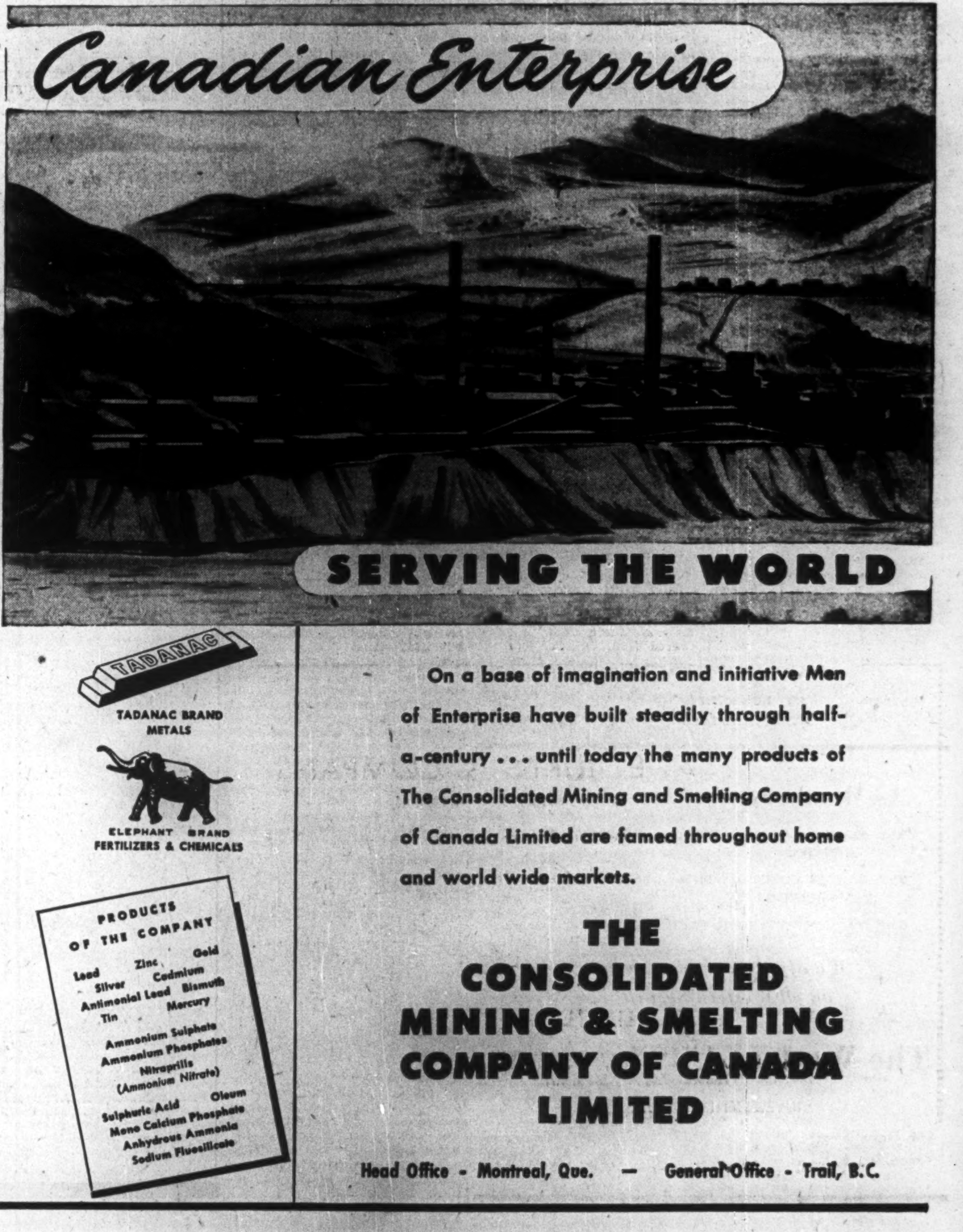
Sales of life insurance for 1945 were $58,258,000.

Retail sales per capita for the province by latest figures showed $379 for this province against an average for the Dominion of $299.

Net sales for the wholesale trade were $379,310,000, distributed among 1,712 establishments.

A 14-page index makes the report a valuable reference work for businessmen.





British Columbia Farming Is Job for Specialists

Horticultural and Poultry Products Are Big Cash Crops

Farming is a job for specialists in British Columbia. Here, in sharp contrast to the prairies, there are few great blocks of agricultural land. With the exception of the still largely unopened Peace River district, the bulk of the farms are concentrated in narrow but extremely fertile valleys. Even in these there is much expensive clearing to be done and in the southeast interior, equally expensive irrigation facilities to be installed before agricultural production begins.

Intensive Farming

This explains why farm land and farm costs usually run much higher in B.C. than elsewhere in Canada and when to that is added long distance from markets, and mountain transportation, the natural result is intensive rather than extensive farming. There is practically no grain farming, and aside from some sheep and cattle ranching in semiforest areas, little livestock

B. C. Farm Income

Cash Income From the Sale of Farm Products
($000 omitted)

Grains, seeds and hay:	1946	1945
Wheat	1,355	1,326
Oats	302	347
Clover & grass seed	579	237
Hay and clover	844	280
Potatoes	2,493	2,045
Vegetables	6,896	6,000
Tobacco	52	40
Fibre flax	31	40
Livestock:		
Cattle and calves	10,299	9,450
Sheep and lambs	582	599
Hogs	2,813	2,984
Horses	119	100
Poultry	4,217	3,398
Dairy products	13,590	12,514
Fruits	26,817	20,305
Eggs	8,866	8,032
Wool	144	167
Honey	222	189
Forest products sold off farms	208	540
Fur farming	534	552
Miscel. farm products	5,629	4,751
Total cash income	86,192	73,709
Canadian total	1,742,300	1,697,700

or mixed farming. In dairying main interest is confined to the most intensive branch of that industry, production of fluid milk for immediate urban consumption, or to be powdered or condensed.

Actually in many major farm products B. C. is a net importer. Beef, bacon, pork, butter and cheese must be brought in to supplement home production and also large quantities of grain and other livestock feed. On the other hand, in certain specialties like fruit, eggs, seeds and bulbs, output is far in excess of local demand and there is a major export. The development is largely a matter of farm economics, plus climate.

High Priced Crops

To make a profit on high cost land one must raise high priced per acre crops. Apples, peaches, berries, seeds and bulbs come in that category, and they do well in the varied climates of southern B.C. In livestock, poultry fits in particularly well, because acreage required is small and gross revenue high.

Agriculture is British Columbia's second largest primary industry, its annual value being only exceeded by lumbering. Total output last year was worth almost $110 millions, or $10 millions above 1945 and well over the pre-war five-year average. While some of the gain traced to higher prices, and may not be held in the immediate future, much of it was due to larger production and this B. C. farmers are confident they can hold. They point out that they are using six times as much commercial fertilizer as before the war, that more land is being cleared, that farms in the southern valleys are becoming smaller and more intensive in production. Where once was rough bush or pasture, there is now specialty production.

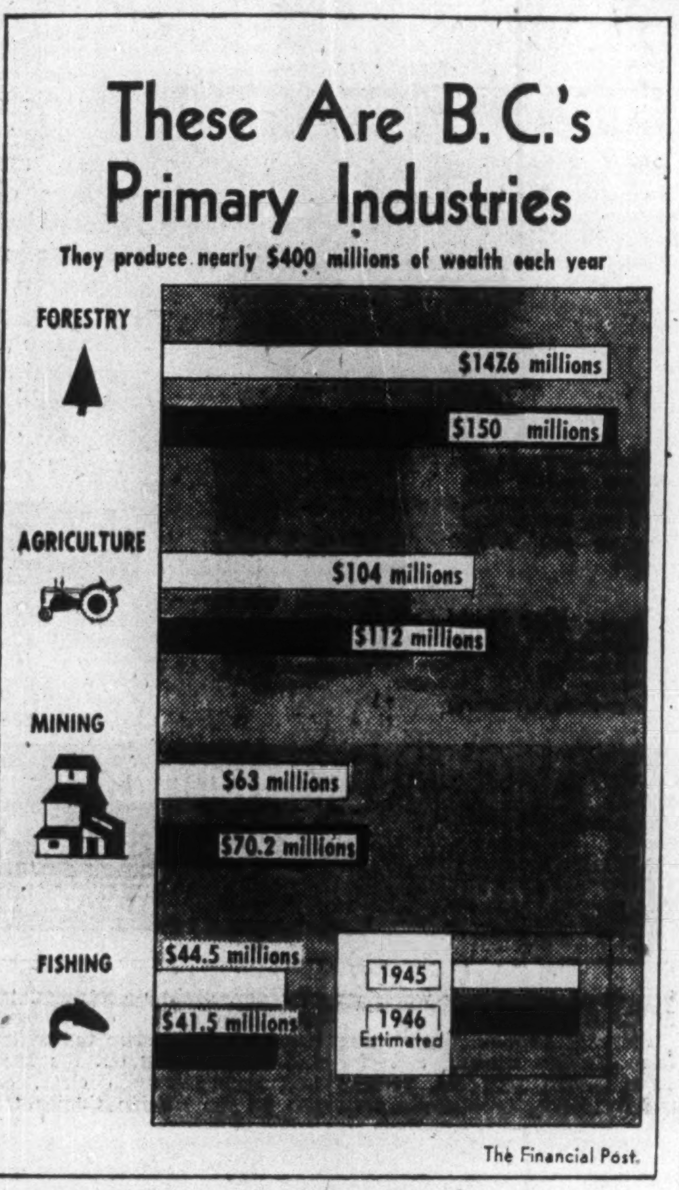
Apples a Major Crop

Major agricultural production is horticultural fruits, vegetables and flowers. In the first, biggest single line is apples.

Last year's apple production is estimated at 10 million boxes, or the equivalent of 3.3 million barrels. Judged by pre-war standards this was a huge crop, but the 1944 yield of 8 million boxes was not far behind.

Average output has risen steadily since 1939 and here again the gain has not so much been in new acreage as in larger production per existing tree. A certain number of new orchards are coming into bearing each year, but not a great deal more than sufficient to meet those getting past maximum yield. But by better methods of cultivation, fertilizing, thinning and general care the output has been stepped up and the percentage of cull fruit reduced. Moreover uses have been found for that cull fruit too. This along with less desirable varieties now largely goes into juice. Nearly a million boxes of apples were "juiced" last year and even then the demand was not satisfied.

In another way, too, output has been improved. Not so many years ago there were over a hundred different varieties of apples grown in almost every fruit valley. Often a buyer could not secure enough of one kind to fill



British Columbia's primary industries produced over $350 millions in new wealth in 1945 and preliminary figures suggest that figure was sharply exceeded last year. Forestry remains the province's major source of wealth, but agriculture continues to gain, retaining much of its wartime impetus.

a car and scores of those grown were not the best. Today through elimination and top grafting 90% of the apples produced are of eight to 10 standard commercial

B. C. Crops in 1946

Field Crops, 1946 (Estimate)

	Area acres	Yield per acre bu.
Spring wheat	108,400	28.5
Oats	81,000	54.9
Barley	14,200	38.2
Spring rye	1,300	22.1
Peas, dry	8,200	25.4
Beans, dry	900	23.3
Mixed grains	7,900	44.1
Flaxseed	500	13.5
		cwt.
Potatoes	19,000	127.0
Turnips, etc.	1,900	210.0
		tons
Hay and clover	227,000	2.25
Alfalfa	78,100	2.95
Fodder corn	4,400	10.15
Grain hay	36,000	2.00
Total	589,800	

varieties, varieties considered most acceptable to markets and best suited to British Columbia conditions.

The bulk of the apples are marketed in a fresh state. Super graded, wrapped and boxed they supply practically all the apple demand in the Prairie Provinces, and a large part of eastern Canada as well. From early winter on, after the rush of local marketing is over, these B. C. apples sell freely in all big eastern urban markets from Toronto

apple crop must find an export market. Principal outlet is in the right through to Halifax. But a very large proportion of the B. C.

Farm Investment

Value of Farm Capital

	1944 $000	1943 $000
Lands and buildings	121,838	92,717
Implements & machinery	15,716	15,968
Livestock	40,123	37,536
Total	177,677	146,221

Numbers of Livestock on Farms (At June 1)

	1946	1945
Cattle	389,500	416,700
Horses	56,900	60,200
Sheep and lambs	124,700	138,900
Hogs:		
Under 6 months	51,800	50,500
Over 6 months	15,500	18,000
Total no.	67,300	68,500

United Kingdom, though growers hope that sales to other countries including the United States will increase. Because these apples are harvested during the winter season below the equator, there is some hope of building up a substantial trade with countries in the southern hemisphere.

Australia Says No

Before the war some fairly large shipments of Australian and New Zealand apples came into Vancouver during our off-season for the Canadian trade and it was expected that our fruit would move in the opposite direction six months later. Australia, however, thought otherwise and put an embargo on B. C. apples using the risk of importing fire blight as an alibi. Now fire blight is a disease that hits the tree and experts claim it cannot be transmitted on the fruit but Australia is not the only country that has used sanitary embargoes to keep out other people's goods.

Other Fruits

In other tree fruits, production is also steadily increasing. The output of both apricots and peaches is up and as many prune plums are being produced as present markets will absorb. Practically all of this fruit is marketed in the fresh stage or goes to the canning factories. Bush fruits, especially, are important. At one time this part of the fruit industry was largely in the hands of Japanese, but not now. A great part of the output is processed, the fresh fruit being barrelled and held in preservatives until the canneries can handle it.

See Potato Export'

Agricultural authorities are interested in the recent decision of Great Britain to permit imports of fresh potatoes because in some sections of B. C. there is a considerable surplus of potatoes and this is the most important of the vegetable crops. By rail, of course, a bulky, relatively low-priced crop like potatoes could not be shipped any great distance but by water and via the Panama Canal it might be a different story. Hitherto Britain has banned all imports of fresh potatoes on the ground that there was danger of introducing the Colorado Beetle or common potato bug. Few, if any, growers have ever seen this bug on an actual potato tuber—it lives on the plant and winters in the ground—but until a food famine threatened this winter that did not make any difference to the British authorities. British Columbia farmers have already developed a big export of special agricultural products to Britain, and even if only a low price could be offered for potatoes they could be used to fill out cargoes and build up a steadier trade.

Seeds and bulbs because of their high specialization and new postwar problems are handled in a separate story elsewhere in this issue.

Big Egg Export

In animal production the main export and specialty is poultry, with both eggs and meat important, especially the former. The Lower Fraser Valley is the area of greatest production with New Westminster the port through which the exports flow. Just before Christmas spectacular history was made when a whole shipload of eggs cleared that port for Britain. Some 45 million fresh eggs were in that vessel, sufficient to provide one for every man, woman and child in the U.K. and actually two million more than the total 1945 export. Production this year is expected to show a third gain over 1946.

Until this new export to Britain which so far is largely in fresh or shell eggs, though powder exports are gaining too, the poultry raisers of British Columbia were facing difficult conditions. They were producing more eggs and poultry meat than the local market could absorb comfortably and prices sagged. There was no chance of marketing in the Prairie Provinces which already produced a surplus, and high freight made shipment to eastern Canada impracticable. So they turned to export to Britain and through excellent co-operation between poultrymen, scientists and the feed manufacturers built up a high-quality surplus for this purpose.

So large has the industry grown that one of the main reasons for B. C. Electric building new power feed lines up the Fraser Valley was to ensure an adequate incubator load for the hatcheries.

These hatcheries operate from early winter until late spring and with electric power supplying the vital heat, it is imperative that a steady supply be maintained. A serious power failure during the egg hatching season might ruin hundreds of thousands of eggs.

Sharp Segregation

There are few other areas of Canada where agriculture is so sharply segregated into types as in British Columbia. On the rich delta islands off the lower mainland, land is high in price and it is necessary to grow high revenue crops, like seeds, berries and vegetables, and the heavy rainfall of 50 inches up helps such crops. In the dry interior valleys where the rainfall may only be five or six inches and weather is still mild enough, growers specialize in apples and other fruit, provided they can irrigate. If water 's not available then the land will be much cheaper and here there is stock raising, with sheep and cattle. In between there is dairying, poultry raising and a certain amount of mixed farming.

Chief difficulty with agriculture as with most other land industries is transportation. Road

(Continued on page 30)

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B. C. Businessmen Confident of Big Year in 1947

By DON CARLSON
Vancouver Sun Business Editor

Will business depression snap its barbed tail across British Columbia in 1947?

If it does, many of B. C.'s businessmen who survived the trying business year of 1946 will have guessed wrong.

For even in private conversation, local bankers, industrialists, retailers and wholesalers, and professional men, are frankly espousing one theme, namely that the odds are much in favor of continued prosperity on the coast this year.

Naturally, some concern has been raised by the predictions of some U. S. economists that a "depression" or "recession" is due this year or next. But there have been just as many "experts" preaching the opposite. And nobody has decided which it will be, a full-scale depression of the 1929 vintage, or a mild recession such as we have often had since 1900 without much fanfare.

NO BANK SLOWDOWN

In B. C., however, such long-range indicators of future business trends as bank figures belie the probability of any serious slump on the coast. Banks report that there has been no slowing down in the volume of business done through their commercial and industrial accounts.

"There is still a lot of consumer demand in the world," said one banker. "In B.C., there still is plenty of building to be done. The demand for our foodstuffs and timber will last for several years. Indeed, what we have to produce in B. C. is all in demand."

Nor is there any sign of creeping business slowness in retail stores, according to some department store men, who say that selective buying has not yet developed.

"There is some inferior merchandise around, mostly in women's clothing," one department store executive said, "but when that is cleared up, buying will go on at its regular pace."

Biggest basis for business optimism this year is the durable goods picture here, which shows an unsatisfied hunger by thousands of householders for ranges, refrigerators and other appliances — a hunger which was not eased by 1946's strike-born shortages.

In the Lower Mainland alone, the B. C. Electric Railway Co. reports, appliance sales may run to $10,000,000 for the year. Before the war, an annual figure of $4,000,000 was normal.

NEW POWER USERS

From new homes and new apartment buildings, mushrooming throughout Vancouver and B. C., will come business to keep retail stores humming. This year, for example, the B. C. Electric alone will add at least 8,000 new residential power consumers.

In 1946, regarded by businessmen as only a "starter" in the durable goods field, 2,500 electric ranges were sold in the Lower Mainland and Vancouver Island. That was in the year of shortages. Yet before the war, annual sales never exceeded 2,000 units. Likewise with gas ranges.

Now, as 1947 gets under way, builders report that the real estate market, which faltered momentarily last fall, has recovered and is beginning to boom again. Building materials are becoming easier to get, although more expensive.

Businessmen, including many who are not government apologists, believe that Canada's price controls will prevent any severe business fluctuations downward in Canada, as might happen in the U. S.

And despite mounting prices, even those under controls, Mrs. Housewife in Vancouver is still filling her shopping basket. And shopbound street-car conductors don't see any slackening off in traffic into Vancouver's shopping districts.

Newsprint shortage has seriously affected the Vancouver Sun's ability to carry all the advertising space requested by retailers, manufacturers, and classified advertisers. Many thousands of Vancouver families who want the Sun delivered to their homes are on a "waiting list" to be served. The Vancouver Sun is short of newsprint and is apportioning its available space as fairly as possible to its many insistent advertisers.

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Fishing Big Business In B. C.

When final figures for 1946 are compiled British Columbia will probably report a little better than an average return from its fishing industry. Storms, a failure in pilchards and a normal reduction in the salmon catch will undoubtedly result in considerable reduction from the high return of 1945.

Then the total catch was valued at almost $45 millions, but that was an unusual year. Big salmon catches come every four years under normal conditions and 1945 was one of the good seasons. Prices were high then too and costs had not mounted to their present disturbing levels.

Half Catch are Salmon

Salmon usually make up about half the value of catch, with herring about 20% and the balance consisting of a large number of varieties including pilchards, halibut, the liver fishes, shell fishes, etc.

Of the salmon, the sockeye catch is the most important. It is the leading canned salmon. Like the cohoe it retains its red color when canned. Pinks and chums are also canned, though they don't fetch as high prices as the red sockeye and cohoe.

Springs, the first of the salmon and also red fleshed, are usually all sold as fresh or frozen. The domestic demand, already wide, is growing. A large fish, running up to 80 pounds, the fishermen get 20 cents a pound for them right out of the water. Catching is expensive as the bulk are taken on individual trolling lines.

Come in Cycles

Aside from the natural hazards of the weather, further fluctuation is added to the industry by the fact that most fish and especially the salmon comes in cycles. Every four years in the case of sockeye and several others but three and two years for others, the salmon run reaches a maximum and then recedes. Through restocking, possibly some artificial spawning, and closed seasons in certain areas the authorities hope to level off the catch from year to year and stabilize it at a high level.

With halibut, for instance, as a result of a special treaty with the United States, supervision and co-operation, the average annual catch has been raised all along the B. C. and Washington coast. A limit is placed on the total catch and when that limit is reached all further fishing for that season is stopped. Its up to the individual fishermen of the United States and Canada how quickly they will catch that limit. Last year they did it in 22 days.

At one time extinction of the Halibut was in sight. Fish and total catches were getting smaller. Following the treaty and more adequate supervision with closed seasons in certain sections, the catches were restored and now more halibut are being taken along the Pacific Coast than ever before.

Similar good results are expected with salmon. Through careful, international supervision, elimination of over fishing, and river obstacles like Hell's Gates, authorities hope to bring volume up to the records of thirty years ago.

It's the Number of Fish

Disappearance of Japanese along the coast and other labor factors have made little difference to the number of fish caught. Practically all the Jap boats are now in other hands. In any case, the experts point out, "its not the number of fishermen that determine the catch but the number of fish."

In the old days the various fishing seasons were short and the tendency was to catch too many when the fish were running. As a result foundation stock, which must be there, if the industry is to be maintained, fell alarmingly low.

Now government authorities, the commercial fish interests and the fishermen themselves are all working toward greater stabilization. Not only are they trying to increase the general supply but they are utilizing new varieties and diversifying the finished product. At one time the B. C. fisheries was practically all canned salmon. Halibut, herring and pilchards have been added and while canned salmon remains the dominant production, fresh and frozen fillets, vitamin and other oils, meals, etc., have become increasingly important lines.

Right now the major worry of the B. C. fishing industry is rising costs. In recent weeks the price of nets, due to the removal of cotton subsidies has doubled. This comes at a time when the industry has already suffered heavy losses to boats and gear, through a prolonged period of storms. Not only has considerable equipment been lost, but large section of the fishing fleet were tied up for several weeks this winter to escape the bad weather.

Labor costs, too, have risen, and competition from co-operatives and others, has been increasing.

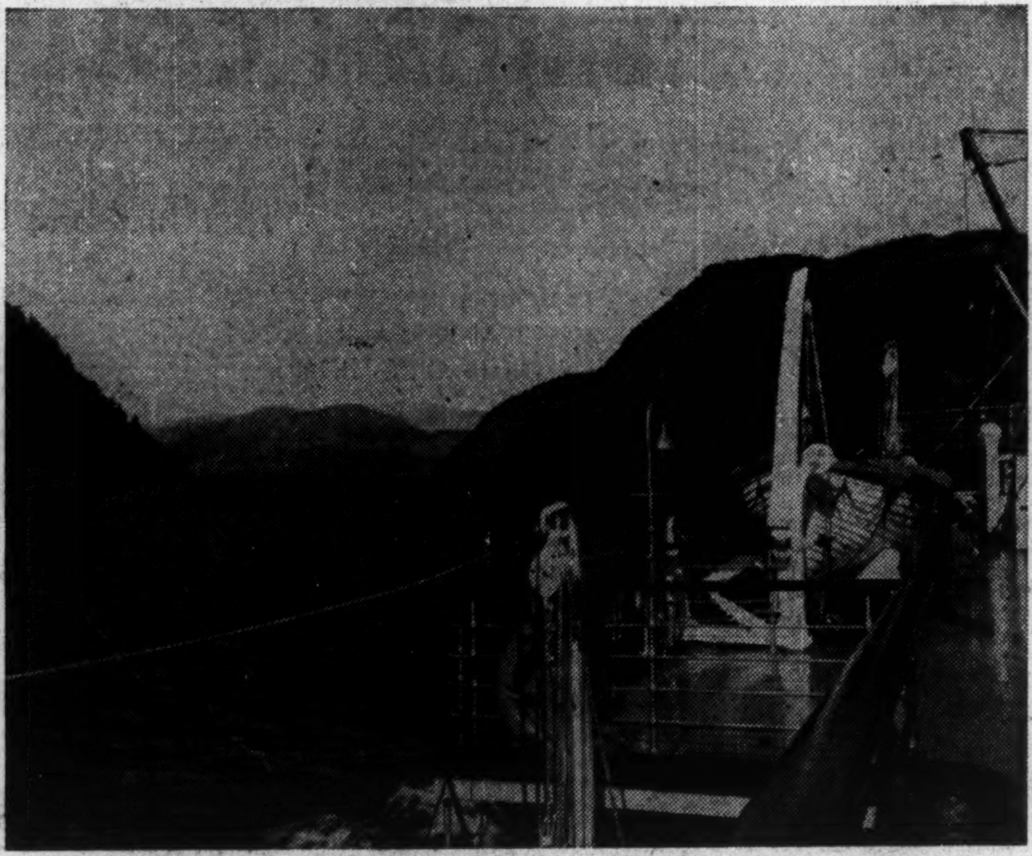
Of course with Britain still contracting for large quantities of fish, both high quality salmon as well as less costly varieties, there is no immediate worry about markets, but the future is by no means so certain. World competition is gradually reviving and there may come a problem, unknown during the war years, of finding an outlet for some of the less desirable varieties.

Seek New Markets

During the war everything that could be eaten was wanted for food. Later some of this material may have to be marketed as stock feed, or new outlets in low priced markets in South America and elsewhere may have to be developed. However, the industry has learned a lot about utilizing lower grades and coarser fish during the war and it has also learned that the domestic market will absorb more fish in the fresh and frozen state.

While labor has been steadily rising in cost there has been no great difficulty in securing sufficient help. Since the war a large number of veterans have shown a desire to get into the business, lured by stories of high individual earnings. Unfortunately the lucrative side of the business has received more publicity than the other kind, and there was some danger of too many young chaps going into the industry without scientific knowledge.

At first glance commercial fishing looks like an easy and healthy way of making a living. Outlay for boats while high, is not beyond the financial capacity of most veterans but often these people overlook the risks of loss. The big fish companies have been advising applicants to go slowly, to fish with somebody else's boat until they learn the business.



British Columbia's fishing wealth and fame stem from waters such as these. Alberni Canal, shown above, is noted as one of the homes of the Spring Salmon, also known as the Tyee, a fighting game fish with an average weight of 22 lb., which takes the troll freely. The Port Alberni Tyee Club is one of the leading anglers' associations of B. C.

Oysters and Lobsters Planted in B. C. Waters

Chary of introducing new species of fish, for fear of unfavorable effect on existing life, nevertheless that possibility of expansion is under constant study by British Columbia experts. After mature consideration two additions to the marine life of the Pacific Coast have been made—Japanese oysters and Atlantic lobsters.

Along the Pacific there are some native oysters, of a very high quality but rather limited in size and difficult to handle commercially. There are plenty of crabs but no lobsters.

Oyster seed from Japan was introduced before the war. This consisted of oyster shells, on which several young oysters had started to grow. The shells had to be kept moist on their journey across the Pacific and until they were planted in favorable ocean beds along the Pacific Coast. Both American and B. C. fishermen bought this seed. Oysters were planted in waters as nearly as possible identical with those of Japan, but as a rule the water on this side was a little colder. There were, of course, only certain favorable locations in well protected shallow bays.

Oyster Farming

After about a year the oyster farmers go over their beds at low tide, break up the seed or shells and spread them out. This prevents the oysters growing in clusters and becoming deformed. The job is exactly like thinning a bed of carrots or onions, to permit full and fast development. In about four years the oysters are ready for market. The Jap oyster is said to be much bigger than the average seen in Canada, about four or five of them being equivalent to six large eastern oysters.

Only One Difficulty

Now this new oyster business, which is entirely in private hands, but under general government supervision, has done well in every respect but one. The oyster seeds thrive well, grow fast and find a ready and profitable market. But they won't multiply the way they do in their native Japan.

There was some natural increase, but not sufficiently general or widespread to ensure a permanent and expanding industry. In some waters practically no new oysters appeared at all. To keep going B. C. and Washington oystermen had to import new seed from Japan every year or so. Pearl Harbor, of course, ended that, and the North American beds had to get on as best they could for the next five years. Catches began to diminish especially after the last pre-war seed had matured. However, the import has been resumed again under special arrangements with General MacArthur and through co-operation with the State of Washington.

Research men are still working on the reproduction problems and eventually they hope either that the Jap oysters will get acclimatized and breed quite freely here, or at least in sufficient numbers in favorable spots to produce a surplus of seed for the others.

Experiment With Lobsters

The lobster experiment is much more recent and it is still too early to say whether it will be successful. Some 2,000 Atlantic Coast lobsters were introduced. Shipped in special tanks they arrived in the Pacific in good shape and were placed in waters where temperature, currents, and food supplies correspond with those along the North Atlantic.

But scientists don't know everything about the lobster, particularly his health requirements or what enemies he might encounter in his new environment. About all they are sure of at present is that some of these original lobsters at least are still thriving, but they are a little worried on the all-important question of lobster babies. If there are any of the latter, they don't seem to be numerous yet, but the authorities have not given up hope.

Victoria Regrets Boost In U. S. Ferry Rates

From Our Own Correspondent

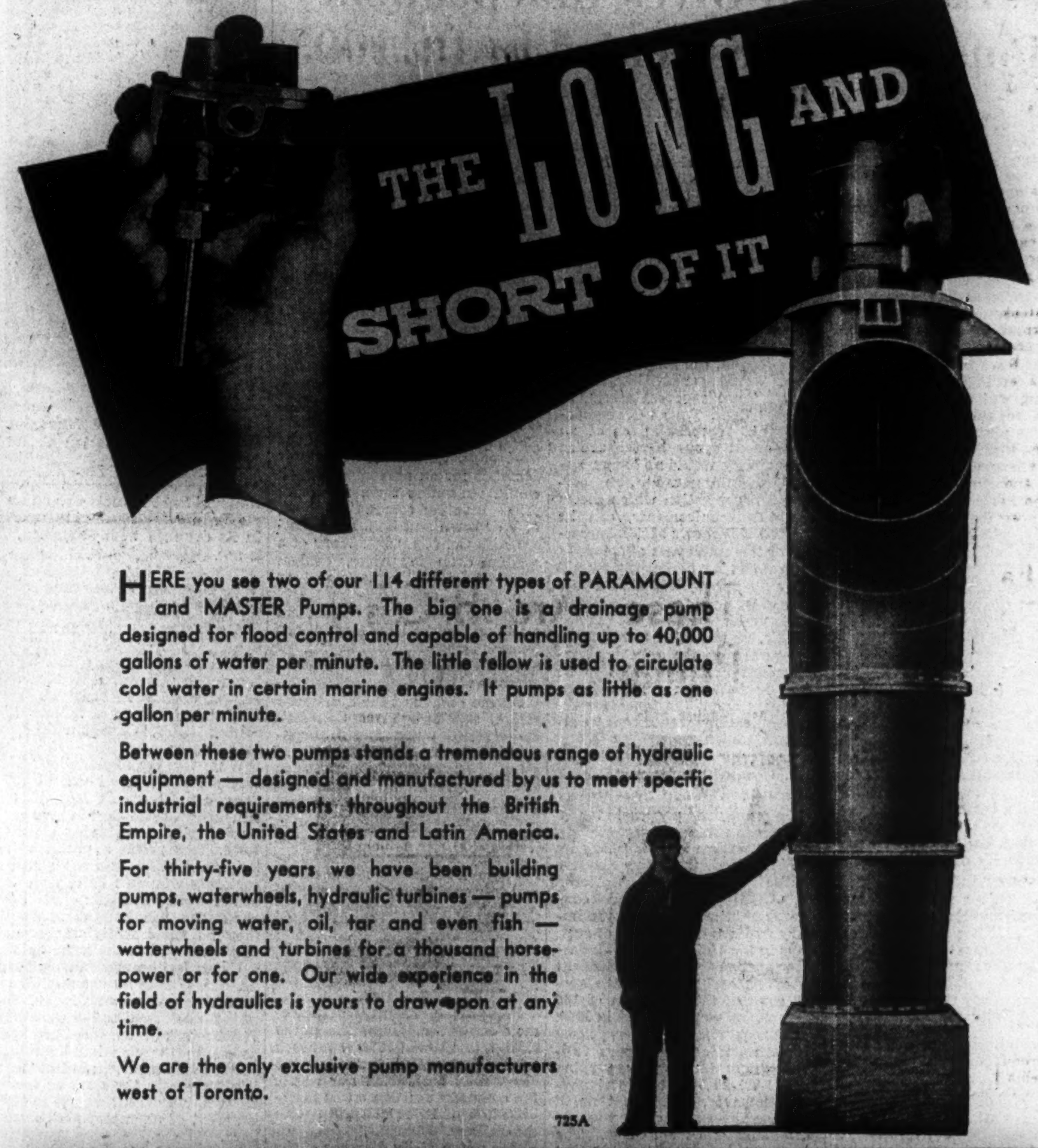
VICTORIA — Passenger and automobile fares on Black Ball Ferry Line vessels between Seattle and Victoria were raised 30% late in February. Although the run is jointly shared by Canadian Pacific's Coastal Steamship Service, no increase was announced by the Canadian firm, which said none was contemplated.

A special meeting of the Victoria Chamber of Commerce was called to discuss what the directors termed a serious blow to the city's tourist industry.

Victoria to Have New Ferry Pier Soon

From Our Own Correspondent

VICTORIA—Contract for the $100,000 Black Ball Ferry pier in Victoria has been let to the B. C. Bridge & Dredging Co., Vancouver. Work on a $50,000 building is also expected to start soon



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New Labor Bill Gives Independent Unions Privileges Denied by PC 1003

Recent dismissal by the Ontario Labor Relations Board of the application of the Independent Steelworkers' Association for certification in the Hamilton plant of the Steel Co. of Canada, re-emphasizes how PC 1003, Canada's wartime labor code is weighted in favor of International or national unions.

The decision pointed up the fact that there are two sets of laws; one for employees' organizations with international, national or provincial affiliations, another for organizations without them. The one set of laws permits certification of bargaining representatives, of an international or national union even if they are elected by a mere handful of the total employees in a plant. The other set say the representatives of an independent union must be elected by a majority.

This meant the Independent association would have had to show a majority of the 4,800 people working at Stelco favored its representatives. This it couldn't, or didn't try, to show. Instead, it tried to qualify under PC 1003's definition of a trade union by incorporating.

The Board ruled, however, incorporation did not give the independent association trade union status and tossed the application out. There is nothing in the regulations, the Board said, to suggest that an unaffiliated employees organization, by incorporating qualifies as a trade union.

* * *

Unaffiliated Unions Must Have Majority of Employees

The lengthy judgment pointed out that even the association had not claimed that the requirements of Sub Sec. 1. Sec. 5 of the regulation had been met. This provides that employees may elect bargaining representatives by a majority vote of the employees affected. In other words, the representatives of an independent union, to be considered for certification, must be elected by a majority of the employees, not merely a majority of the members of the association or union.

On the other hand, Sub Sec. 2 of Sec 5 provides that a trade union may appoint its officers or other persons if the majority of the employees affected are members of the trade union. In other words, as long as the union can show a majority on its membership books, representatives can be elected by a baker's dozen at a union meeting. And to make sure that there is no confusion as to what constitutes a trade union, the Act defines it as "a provincial, national or international employees' organization or a local branch chartered by such an organization."

There was, no doubt, a good reason for this weighting of privilege in favor of international unions. It was probably felt that independent unions would be more susceptible to management control or influence. To make sure that the bargaining representatives truly represented the employees, the two rules were framed. However, it would seem that in their desire to close the door to company unions, the legislative draftsmen went a bit too far.

This appears to be confirmed after a survey of the draft bill which is to be introduced at this session of the House of Commons to supplant PC 1003. In it, the important definition of a trade union has been rephrased to mean any organization of employees formed for the purpose of regulation relations between employers and employees. This clearly gives independent unions the same privileges as affiliated groups.

In addition, the proposed legislation would certify bargaining "agents," not representatives, as PC 1003 does. Thus the requirement that representatives of an independent group be the choice of a majority would no longer apply. Under the new bill, any employees organization which meets the bill's requirements, can be certified if it shows 51% membership of the employees affected.

Inasmuch as the proposed bill will only be applicable to a few industries and services which come under peacetime Federal jurisdiction the effect the changes might have on the growth of independent unions remains to be seen. If however, some of the provinces adopt the federal code, the implications would become almost Dominion-wide.

* * *

U.S. Committee Reports on Guaranteed Wage Schemes

The renewed proposal for a guaranteed annual minimum wage in the Canadian steel industry by C. H. Millard, Canadian director of the United Steel Workers' (CIO-CCL) has aroused considerable interest in the preliminary findings of a survey of such plans in the United States. Undertaken at the direction of President Roosevelt early in 1945, the survey covered the operation of 196 plans which were in effect in 1946.

The report lists the average cost of guaranteeing employees full-time wages for a year varying from 1.3%-20% of the total payroll. However, the report noted that the increased costs were in part deductible from taxes. The investigating committee felt that a guaranteed annual wage is not a panacea for economic insecurity, but held that it does provide assistance in stabilizing the economy by stabilizing the income of the wage earner, and thus consumer purchasing power. The preliminary report contained no specific legislative proposals but instead made the following recommendation to encourage the growth of guaranteed wage plans:

1. Revision of income tax laws to permit the total cost to the employer to be deducted from corporate taxes.

2. Modification of the United States Fair Labor Standards Act to raise the number of hours that may be worked annually without overtime pay.

3. Amendment of the Social Security Act and Unemployment Compensation laws to permit, during periods of unemployment, the receipt of benefits by an employee covered by an annual guaranteed wage plan while receiving payment from his employer.

The report held that unemployment insurance was not an effective means for providing economic security to workers. While it reported favorably on such schemes, it cautioned against their introduction in industry where there is a wide fluctuation in production and employment. It emphasized that the first step in introducing guaranteed wage plans is the regularizing of production and working conditions.

* * *

No Sign of Settlement In N.S. Fishermen's Strike

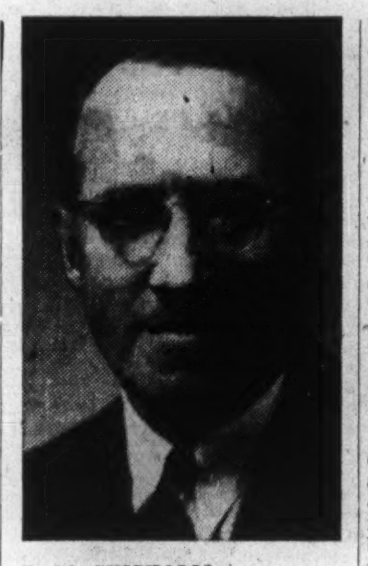
The Nova Scotia strike of deep-sea fishermen is catching. Last week, 80 trawler operators on the west coast quit to enforce their demands for an agreement which would guarantee them minimum prices. Involved are: B. C. Packers, B. W. Brown and Son. and Western Fish Co. (Canada). Wary of a sudden drop in prices, dealers offered 5¾c. for ling cod and 4 for sole. The fishermen wanted 9 and 6c. respectively. While the dealers made up their minds, most of the trawler operators went fishing for dogfish for their Vitamin A-packed livers.

On the east coast the nine-week strike called by the Canadian Fishermen's union is still deadlocked, with no sign of a break in sight. If anything, the newspaper advertising campaign being conducted by both sides, has widened the breach.

National Sea Products charges the union is dominated by a Communist clique; insists it will never recognize it. To keep the record straight, however, another ad says: "We neither fire, hire nor pay fishermen," pointing out that the only people who can deal with the striking fishermen are the captains.

Replying through the same remote-control medium, the union says this argument is so much eye-wash, but it doesn't deny the communist accusation nor refute the company position on its interpretation of its relationship with the strikers.

The union airily disposes of the communist charge by retorting: It's none of your business. Then to Ralph Bell, company president, it says: "You dealt with our leaders twice before; why not now?" On the surface it looked like a good argument. What the union was carefully ignoring, however, was that previous negotiations involved processing plants. In these, National Sea Products was an employer in every sense of the word. In its dealings with fishermen, it is not.



D. M. CHISHOLM

has been appointed Managing Director of the Norton Co. of Canada, Hamilton.

* * *

Why Did the Fishermen's Union Change Its Name?

An interesting sidelight in the dispute was the unannounced change in the union's name. When the strike was called it went under Canadian Fishermen's and Fish Handlers' union. Now it's calling itself, Canadian Fishermen's union.

What was the explanation? The original walkout involved 300 fishermen. It wasn't long before secondary effects closed down processing plants, involving close to 1,000. This posed a problem for the union. The original strikers certainly wouldn't be eligible for out-of-work benefits; but how about the fish handlers. Would they be ruled ineligible because they belonged to the same union?

Union leaders weren't too sure, decided to take no chances. From that day on, about Jan. 8, the strikers belonged to the Canadian Fishermen's Union. What had happened to the fish handlers was still a union mystery; but at least, it put them in the clear as far as Ottawa was concerned, in the payment of unemployment insurance.

* * *

Union Shop Recommended For Massey-Harris Plants

A unique combination of a modification of the union shop, maintenance of membership and the irrevocable checkoff has been recommended by a Board of Conciliation in Toronto and Brantford plants of the Massey-Harris Co. The personnel of the Board was: Judge A. Cochrane, Brampton, Ont.; J. J. Robinette and C. L. Dubin, Toronto. Both the latter were employer and employee nominees.

The union security recommendations provide that all employees who are members of the union when the agreement is signed must stay in until the contract runs out, and also that new employees must join the union within 60 days. If they don't, they lose their jobs. This is not quite the union shop which says all employees, new and old, must join the union within a certain time limit.

However, the Board also decided something should be done about management rights. It recommended that in the new agreement the no-strike clause should be extended to ban stoppages resulting from anything in the agreement for which arbitration is provided in the agreement. The same thing would apply to lockouts too.

It looked like the Board had tried to balance major union concessions by proposing a greater degree of protection to management against strikes. However, the report was still only a "recommendation" and not binding on either party. The union will consider the report on Sunday.

* * *

Respect for Employer's Integrity a Union Must

Unions which ask for the checkoff, the Board said, should at least convey the impression, if nothing else, that they are actuated by a spirit of fairness to an employer. Differences are to be expected but it is the duty of unions to respect the integrity and motives of management unless it could be proved otherwise. Without this tolerance there could be no "bargaining in good faith."

There is good reason to believe that the union tactics also had an effect on the Board's decision with regard to other demands. In any event, demand for time and half for overtime was turned down in favor of a company comprise; a 16c. an hour wage increase was tossed out; instead of getting pay for three additional statutory holidays, pay for one was granted.

The lesson for labor was stated clearly in the report: One of the arguments in favor of a checkoff, as well as against it, is the degree of good will and confidence which exists between management and labor. In many cases Boards have recommended the checkoff and employers have accepted it largely because of a hope that it would materially improve industrial relations and facilitate the operation of a collective bargaining agreement.

Horticultural, Poultry Products Big Cash Crops

(Continued from page 28)

and railroad building is expensive, as is also the clearing of the land. The latter job may cost from $30 an acre up. Where there are relatively large areas, there is help in the clearing from the Provincial Government and in recent years much machinery has been used in the shape of bull dozers and other equipment to cut clearing costs.

While there is not the same rush of settlers following this war as occurred after that of 25 years ago, there has been quite an increase in the number of enquiries regarding settlement in the last 18 months. Many servicemen are interested in moving into the province with the intention of farming. A special program for helping such individuals has been laid out.

Because of clearing difficulties, distance from markets, lack of roads etc., the provincial government is inclined to move gradually and carefully and avoid if possible scattering settlers in inaccessible places. They don't want them cut off from neighbors and markets for very long. New roads and other connections with the Peace River block, it is expected, wil change the picture.

Generally speaking there is land enough for several times the present number of farmers (about 40,000) in B.C. In the Peace River Block alone scores of thousands could be settled, with transportation and markets, and possibly another 20,000 acres could be added to the area under cultivation. But mere land is not enough. To produce, that land must be cleared, some of it must be drained and some of it must be irrigated. And to produce profitably a farm must be connected by road or rail with a good market. For the most part, except in the more open and level Peace River country and the ranching areas, future settlement, it is expected, will continue along present trend toward small, specialized farms.

Specialized Markets

As for markets, specialization also applies. In certain products like fruit, eggs and seeds, export channels have been well developed and with nearby ports on salt water, practically the whole world is open as a consumer. In the far interior and especially the north, other industries notably lumbering, mining and fishing provide excellent local markets. If a new lumber, pulp mill, mine or fishing camp opens in the north, then with it springs up a cash demand for farm products, and the farther this is located from normal sources of supply, then the higher the price. It may cost a lot of money to produce fresh vegetables and milk up north of Prince Rupert but local demand will not quibble over prices, especially when imported supplies must come in by plane or pack train.

COMPANY REPORTS

MELCHERS DISTILLERS LTD. 1946 net profit was more than doubled the previous year's. Substantially reduced income tax provisions more than offset a decline in net earnings. Production since April 1, 1946, has been on a 50% basis only, due to further restrictions of the Federal Government. Despite this, however, the company has been able to maintain its inventory position. Expenditures of $327,591 was made for new buildings, equipment, etc. New automatically operated oil-burning boilers installed during the year, are now in operation. The company has under consideration an additional maturing warehouse, in order to provide for future expansion.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$822,830	$1,057,523
Less: Deprec.	95,206	122,713
Income tax‡	415,000	836,000
Net profit	312,624	98,810
Less: Pref. divds.	75,000	75,000
Surplus for year	237,624	23,810
‡Incl. ref. EPT	....	147,900
Earnings per Share and Dividend Record:		
Before partic.:		
Pref.: Excl. ref. EPT	$2.50	$0.79
Incl. ref. EPT	2.50	1.97
Paid	0.60	0.60
On partic. basis:		
Pref.: Earned	3.57	*2.89
Common	1.07	*0.72
None paid.		
*Incl. ref. EPT.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$44,167	$248,907
Accts. rec.	118,559	265,323
Inventories	1,557,934	1,272,517
Life ins. c.s.v.	1,606	1,373
Total curr. assets	1,722,266	1,788,180
Misc. assets‡	357,805	356,641
Fixed assets*	888,677	617,661
Total assets	2,968,748	2,762,482
Total curr. liab.	657,286	687,678
Cont. reserve	40,000	40,000
Capital stock	1,500,000	1,500,000
Surplus‡	†771,462	†534,804
*After depr. of	610,957	595,514
‡Incl. ref. EPT	351,951	346,252

†Of which $112,856 in 1945 and $154,801 in 1946 may be applied (if and when declared) to distrib. to pref. shldrs. as addit. noncum. divd. up to 3%; and of which $189,013 in 1946 may be distrib. as participating divds. to pref. & common holders.

Working capital	1,064,980	1,100,502

LA COMPAGNIE FONCIERE DE MANITOBA 1946 net profit was up sharply at $13,630 ($3,058 in 1945). Deficit account is now reduced to $23,319, and as a redemption of debentures should be completed in 1947 at a fair profit, and as 1947 profit is expected to be at least as good as in 1946, this should be taken care of very easily by the end of 1947, the annual report states. Then the company should be in a position to pay dividends, it is stated.

Company farms brought in more profits than city properties. The matter of the liquidation of the Winnipeg Trustee Co. is entirely complete. Profits would have been much better, had it not been for legislation on rents.

	1946	1945
Liab. to public, etc.*.	$65,527	$66,700
Shareholders' equity	576,681	562,461
*Secured by:		
Mtges. & sls. agree.	148,410	117,151
Realty for sale‡	480,763	485,845
Liquid assets†	13,035	26,165
Total	642,208	629,161
†Includes bonds and stocks.		
‡Includes office premises and equip.		
Earnings per share	$1.70	$0.38
None paid.		

Government, Municipal, and Corporation Securities

Ewen Mackay & Company Limited
548 Columbia St.
NEW WESTMINSTER, B.C.
Telephone 660

Members of The Investment Dealers Association

SYLVERITE MINES LTD. N.P.L.
602 ROGERS BLDG., VANCOUVER, B.C.

Extensive holdings in the Slocan area with high values in lead, zinc and silver. Forty claims of the Garland Property recently added to this Company's holdings strengthen the speculative potential of this Company.

MINE ADDRESS:- SANDON, B. C.

THE BRITISH COLUMBIAN
Established 1866

DAILY
NEW WESTMINSTER'S ONLY NEWSPAPER READ IN 9 OUT OF 10 CITY HOMES

WEEKLY
COVERING THE PROVINCE — CATERING TO THE FRASER VALLEY

NEW WESTMINSTER
WESTERN CANADA'S GREATEST FRESH WATER PORT
THE RICHEST CITY — PER CAPITA — IN CANADA

See Medical School Assured for UBC

From Our Own Correspondent

VICTORIA—Judging by the support accorded the proposed medical school at the University of British Columbia by members of the B. C. Legislature, it can be considered almost a certainty for 1948.

Virtually every speaker, both Coalition and CCF, has supported the plan. To the estimated cost of $6 millions, the main stumbling block, most members retort: "Start it in a small way and build up from the bottom."

Last year the Legislature voted $1.5 millions for the project.

Provincial Operation Of Hospitals is Asked

From Our Own Correspondent

VICTORIA—E. E. Winch, veteran CCF member for Burnaby, is waging a strong battle to have the province take over and operate hospitals as the only solution to financial problems, common to every such institution in B. C.

Major argument advanced by Mr. Winch after a survey of hospital financing, was that fewer than 50% of the patients at Royal Jubilee Hospital here were residents of the city.

INTERNATIONAL BRONZE POWDERS LTD declared a quarterly dividend of 6% per annum on the cumulative participating preferred shares. In addition a dividend of 37½ cents per share on the common stock, n.p.v., was declared. Both are payable on Apr. 15 to holders of record Mar. 15.

City of New Westminster
New Westminster, British Columbia
(Incorporated — 1860)

DEEP SEA PORT AND INDUSTRIAL CITY
(Outlet for the Fraser Valley Farming Country)

The City of New Westminster, British Columbia, announces a new Serial Debenture Issue of $500,000.00 on the credit of the City to be used for added Hospital facilities. Tenders will be called on or about March 15th, 1947 to be in the hands of the City Treasurer by 12 o'clock noon, March 31st, 1947. The loan will be repaid annually over a period of 18 years commencing in April, 1948, as follows:

	Principal	Coupon Rate		Principal	Coupon Rate
1948	$27,000.00	2½%	1957	$28,000.00	*2¾%
1949	27,000.00	2½%	1958	28,000.00	3%
1950	27,000.00	2½%	1959	28,000.00	3%
1951	27,000.00	2½%	1960	28,000.00	3%
1952	27,000.00	2½%	1961	28,000.00	3%
1953	28,000.00	2¾%	1962	28,000.00	3%
1954	28,000.00	2¾%	1963	28,000.00	3%
1955	28,000.00	2¾%	1964	28,000.00	3%
1956	28,000.00	2¾%	1965	29,000.00	3%

Total net Debenture Debt, including utilities, reduced from $4,558,328 in 1941 to $3,762,323 in 1946.

The City of New Westminster, population 33,000 is strategically located near the mouth of the famous Fraser River and is the only fresh water port in B. C. and serves a total population, including suburban, of over 100,000.

Ample docking facilities are available for deep-sea or coastal vessels. Direct rail connections with the Canadian National and Canadian Pacific Railways are provided. Switching arrangements with the Great Northern and B. C. Electric Railways are also in force. Second largest industrial port in B. C. and open all the year round with steady growth. Over 90 manufacturing plants are located in the City with a monthly payroll of $2,500,000.00. These plants consist of sawmills, shingle mills, box factories, veneer plants, sash and door factories, vegetable, fruit and fish canneries, paper mills, cordage plant, gypsum products plant, chemical and fertilizer plant, brewery, distillery, tannery, meat packing plant, timber preserves, engineering works, machine shops, foundries, welding and sheet metal works with many new industries entering the City annually taking advantage of the favourable opportunities. Ideal factory locations are available as the great port facilities are being developed.

Included in deep-sea exports last year were 154,000,000 board feet of lumber, 77,500 board feet for ties, 5,900 tons pulpwood, 98,800,000 square feet of plywood, 900,000 cubic feet of box shooks, 119,000 tons bar metal, 75,000 tons sulphate of ammonia, 61,000 tons phosphate, 1,400,000 bushels of grain, 11,500 cases evaporated milk, 10,900 cases canned salmon and herring, 6,700 bbls. raspberries, 137,800 cases of eggs; Coastwise cargo included 190,000 tons gravel, 3,000 tons gypsum, 772,000 tons logs, 300,000 general cargo.

The City owns and operates its own electric light and power distribution plant with a net revenue of $302,348.00 in 1946. Its water distribution system nets approximately $70,000.00 annually. Per capita net debt has been reduced from $207.19 in 1941 to $114.00 in 1946. Sinking funds have been revised and annual instalments increased. Building permits in 1945 $1,500,000.00, 1946 $2,500,000.00, January 1946 $546,000.00.

Financial Statistics covering years 1941 to 1946 inclusive with full data on the City's progress and development will be provided on request.

WM. M. MOTT, Mayor
WILFRED A. GREENE, Treasurer

CITY HALL
NEW WESTMINSTER, BRITISH COLUMBIA

Husky Young Industries Aid B. C. Diversification

(Continued from page 25)

discharges in that province, as is indicated by the fact that total discharges exceeded total enlistments.

Conversion of War Industry

Eighteen months ago, with the war plants closing down or sharply curtailing, and thousands of men coming back from overseas there was a good deal of anxiety about unemployment. Today the average British Columbian is still keeping his fingers crossed but he is beginning to hope that the most critical period is over. True there has been some unemployment but frankly nothing like what was anticipated.

Because it is at the "end of the line" and is located in a mild climate there is a natural tendency for people to flow in and in times of depression or re-adjustment some employment problem must always be expected. The same situation faces California and Washington. But so far expansion of local peacetime industry seems to have absorbed all extra people that want to or need to work. Indeed there is still a shortage of workers in the main industry, lumbering, and the most expanded war industry, shipbuilding, so far has been able to retain a substantial portion of its 1939-45 increase in workers. Some $14.5 millions of ship building contracts were secured last year as follows:

Major Shipbuilding Contracts 1946

Orders for:	Value
French Government	$4,750,000
Chinese Government	4,000,000
C. N. R. Steamship	3,000,000
Indo-China Government	2,500,000
Chilean Interests	250,000
Total	$14,500,000

Power Load Gains

The power load of B. C. Electric which supplies the lower mainland and southern Vancouver Island is a significant barometer. Here is the 1946 record for the Lower Mainland System which feeds Greater Vancouver and the Lower Fraser Valley areas:

Industrial Load 1946

New Power Connections:		
Jan. 1 to Nov. 30	130 firms	6,121.25 hp
During December	8 firms	289.0 hp
Total 1946	138 firms	6,410.25 hp
Added Load by Existing Firms:		
Added to Nov. 30		18,258.70 hp
Added during December		3,402.75 hp
Total 1946		21,661.45 hp
Total new and added		28,071.70 hp
Disconnected Load:		
Jan. 1 to Nov. 30		20,320.12 hp
During December		384.5 hp
Total 1946		20,704.62 hp
Net gain industrial load		7,367.08 hp
From new prospects at Dec. 31		12,000. hp

In addition the provincially owned British Columbia Power Commission, which has taken over a number of smaller electrical systems in central B. C. and is building a new power plant at Campbell River on Vancouver Island, 170 miles north of Victoria, has an initial contract for 10,000 h.p. for the new pulp mill being built by Bloedel, Stewart & Welch at Port Alberni.

Elsewhere in this issue is listed some of the larger new industries and extensions to existing plants which were established last year. The variety of products turned out by these plants gives some idea of the new diversification that is taking place in British Columbia. It is that diversification that is providing the new employment and it is on further diversification and conservation that the authorities are depending to absorb new population.

Diversification and Conservation

All through the major industries, emphasis is on making wider use of raw material, building up a more stable and more permanent operation. In timber this means using more of the tree itself and using more of the poorer trees. Instead of simply exporting logs and from top quality trees only, now it is lumber and mill products, shingles, pulp, paper, and veneers. In fishing, instead of just salmon and halibut, pilchards, herring and the liver and oil fishes have been included. To apple growing and ranching have been added a highly developed specialties such as poultry, seeds, berries and dairying.

And in all cases, and especially in the forest and fishing industries there is more and more emphasis through restocking, replanting and other methods of conservation toward developing cuts and catches into annual crops, to rebuilding sources at least as fast as they are consumed.

All of this means more efficiency in operations, more stability in markets and more employment.

Big Stake in Exports

Keystone of present and future industrial development is international trade. British Columbia is more vitally concerned with export than any other province in Canada.

More than half of its forest, fish and mineral products must find an outlet outside the Dominion and the same applies to agricultural specialties like apples, poultry products and seeds. Right now the great bulk of these exports are going to Great Britain, a lesser amount to the United States and what is left to Europe, Africa and Australasia. Much of it is being financed by the United Kingdom out of the big loan by the Canadian Government. Much again, as with lumber, is going to repair the war destruction in Britain or, as with food, to replace pre-war imports from other countries that may or may not be resumed. Admittedly some of this booming export which is keeping the Port of Vancouver busier than before the war, is of a temporary or "provided" nature but British Columbians are hoping that a sane postwar world trade policy will keep much of it going.

In the meantime they are looking west to the Orient, and the South Pacific. There is much in British Columbia that the countries across the Pacific need and could use—lumber, paper, minerals, foods and manufactured products. There is much in these countries that B. C. could use or would flow through B. C. ports—silks, tea, oils, copra, sugar and jute. Peace and prosperity in the Far East are all that is needed to start that exchange rolling.

Here in this picture is typified the problem faced by British Columbia—overcoming nature's rugged beauty to provide a modern transportation and communications system. The Banff-Windermere road, above, worms its way through picturesque Sinclair Canyon at the entrance to Kootenay Park, but mountains and canyons in many parts of B. C. have so far defied the hopes of the province for an integrated road system which would make northern sections more accessible.

$18¼ Millions B.C. Budget For Highways, Bridges

British Columbia two years ago was talking millions for good roads. Highway building for war had been on the grand scale but had effectively sidetracked construction on tourist and commercial routes.

The talk, turned into actual plans, now emerges as the most ambitious multi-year building program in B. C. history, ranking high among postwar road construction schedules in other provinces.

Here's the measure of the job ahead of B.C.'s public works department, and of the big Vancouver roadmaker contracting firms, in the fiscal year beginning less than a month from now. Figures are from Finance Minister Herbert Anscomb's budget speech to the legislature at Victoria last week.

Millions For Bridges

Total year's road and bridge work $18¼ millions, in addition to major capital developments already under way — such as the Hope-Princeton and Pine Pass highways, which will absorb about $10 millions in the coming fiscal year.

Of the 1947-48 total at $18¼ millions, $5 millions for new bridges alone, $5 millions for new capital road construction, $2¼ millions for hard surfacing, $6 millions for road and bridge maintenance and repairs.

Excerpts from the Anscomb budget speech:

"The amount of money allocated to the road system of British Columbia in the past was entirely inadequate for the work that had to be done. I do not think what I am proposing now is adequate but we can only do what is possible within the limits of the revenue resources that we have.

Gas Pays For Paving

"The federal authorities withdraw their 3c. a gallon war tax on gasoline on March 31. Instead, we shall impose it and earmark the proceds for road work. Honorable members will find, immediately after the road maintenance vote of $6 millions, an item of $2.25 millions to be used from this extra 3c. gas tax for hard surfacing purposes.

"Nobody knows just what that additional 3c. will produce during the coming fiscal year. But I think we will collect more than the suggested $2¼ millions and we will find some way in which the public works department can have for hard surfacing programs the difference between the sum shown in the estimate and the actual tax produced.

"In addition to the $8¼ millions mentioned, I propose to present to the legislature an appropriation bill for $15 millions from revenue surplus appropriation account for new construction over three years—in other words, $5 milions a year for capital works. I shall also present to the House a loan bill for $5 millions specifically for bridges. The requirements in this regard are exceptionally heavy. We have been far behind for years and a vast amount of work has to be made up."

Has 700 "War" Houses Edmonton Wants More

From Our Own Correspondent

EDMONTON — Told basements would cost $1,000 more per house and boost rents, city council dropped its preference for cellars and voted to ask Wartime Housing Ltd., to build 250 more houses here without basements, and to rent at $22 to $30 a month. Edmonton already has 700 WH houses. But heightened demand for all kinds of housing is expected from enlarged army and air force commands here, and the recent oil strikes at Leduc, 28 miles south.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ASBESTOS CORP. 1946 net profit was off narrowly at $953,181. Demand for all grades of asbestos was strong, and during the latter part of the year an increase in export prices was obtained which, to some extent, offset the continued rising trend in cost. Inventories, following the second consecutive year in which volume of shipments exceeded production, are now lower than ever before in the company's history. A world-wide shortage of asbestos will probably continue through 1947, it is stated. The King, Beaver, British-Canadian and Vimy Ridge Mines were operated at capacity.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$1,973,933	$2,073,073
Less: Depreciation	320,931	311,553
Pension fund	75,000	75,000
Expl. exp.	91,323	......
Taxes	568,000	600,000
Add: Exch. prof.	34,502	......
Net profit	953,181	1,086,518
Less: Dividends	840,000	840,000
Surplus for year	113,181	246,518
Earnings per Share and Dividend Record:		
Common: Earned	$1.59	$1.81
Paid	0.80+0.60	0.80+0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$4,054,822	$3,402,637
Accts. rec.	913,664	906,298
Inventories:		
Asbestos	74,776	354,822
Materials, supp.	681,020	618,976
Total curr. assets	5,724,282	5,282,733
Misc. assets	73,307	92,629
Fixed assets*	3,995,101	4,172,817
Total assets	9,792,690	9,548,179
Accts. & bills pay.	642,130	647,310
Prov. for taxes	178,366	162,297
Total curr. liab.	820,496	809,607
Gen. reserve	1,150,000	1,150,000
Capital stock	5,512,714	5,512,714
Distributable surp.	1,000,000	1,000,000
Earned surplus	1,309,480	1,075,858
*After depl., depr.	6,843,928	6,522,997
Working capital	4,903,786	4,473,126

CANADIAN WESTERN LUMBER CO. 1946 net profit was up 121.8%. Production and shipments of lumber and other forest products manufactured by the company and its subsidiaries increased. The industry-wide strike, which lasted nearly six weeks in summer, coupled with a shorter work week effective from July 1, 1946, resulted in reducing planned output and sales. Sales to external markets were substantial and at satisfactory prices. Larger sales and improved earnings resulted from the operation by subsidiary companies of some 97 retail branches in the Prairie Provinces.

Revenues have been substantially improved by reason of the company's interest in Seaboard Lumber Sales Co. which maintains representatives in all chief external lumber markets. During the year two modern Diesel-powered tugboats were purchased and put in log-towing operations.

The company has orders for large quantities of products for shipment to the domestic market, and to export markets in which it has traded extensively for many years. It is expected that the present heavy demand for these products will continue for a considerable time, President H. J. Mackin states.

CONSOL. INCOME AND SURPLUS ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$3,231,105	$2,339,447
Add: Invest. res.	44,410	63,532
Exch. gain	82,305	......
Total net earnings	3,357,820	2,402,979
Less: Depletion	375,160	397,442
Depr. bldgs. & equip.	269,565	239,765
1st mtge. bond int.	193,667	82,083
Taxes§	1,500,000	1,100,000
Net income	1,019,428	583,689
Less: Deb. stk. int.	......	124,070
Net profit & surplus	1,019,428	459,619
§Incl. ref. EPT of	......	155,223
Times 1st Mtge. Bond Int. Earned:		
Before depr. & depl.	17.34	*12.20
After depr. & depl.	14.01	*8.96
*Based on total first yrs. requirements.		
Earnings per Share:		
Excl. ref. EPT	$0.33	$0.15
Incl. ref. EPT	0.33	0.20
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$786,385	$829,892
Accts. rec.	172,641	200,434
Inventories	4,698,774	4,154,551
Total curr. assets	5,657,800	5,184,877
Investments	161,440	53,220
Misc. assets§	1,170,151	1,077,809
Fixed assets	12,535,501	12,012,017
Total assets	19,524,892	18,327,923
Serial bds. pay.	400,000	400,000
Bond int. accrued	78,750	82,083
Accts. pay.	781,576	761,031
Taxes pay.	1,586,689	1,223,551
Total curr. liab.	2,847,015	2,466,665
Funded debt	5,200,000	5,600,000
Deprec., etc., res.	5,833,682	5,623,992
Gen. & cont. res.	501,986	505,602
Capital stock	3,073,000	3,073,000
Earned surplus§	2,069,229	1,058,664
§Incl. refund. EPT	590,183	599,046
Working capital	2,810,785	2,718,212

YARMOUTH BUILDING & LOAN SOCIETY 1946 net profit was up 13% at $10,919. Mortgages were down $8,612 at $272,957. Liquid assets, including cash on hand and in bank, were up sharply at $20,983 ($485 the previous year).

	1946	1945
Liab. to public, etc.*	$44,845	$34,317
Shareholders' equity	249,095	247,737
*Secured by:		
Mortgages	272,957	281,569
Liquid assets	20,983	485
Total	293,940	282,054
Earned per share	$6.37	$5.60
Paid	5.00	5.00

DELHI (TEMAGAMI) GOLD MINES plans to carry out detailed surface work and geological mapping this year on 15 claims in Delhi twp., Sudbury district, Ont. Further drilling is also planned. Current assets were $6,939 and current liabilities amounted to $56, as at Oct. 31, 1946.

CONTI-MAC MINES plans continuation of diamond drilling on property in Dufresnoy twp., Que. Previous drilling intersected diorite, rhyolite and rhyolite bressia returning some values in gold and base metal. A minimum of 10,000 ft. of drilling has been recommended by Consulting Engineer G. E. Moody.

CANADIAN PACIFIC RAILWAY CO. shows an increase of $88,000 in earnings for the period Feb. 15 to Feb. 21, over the corresponding period in 1946. Approximate earnings for the week ended Feb. 21 were $5,578,000 against $5,490,000 in 1946, an increase of 1.6%. This brings total earnings to the end of Feb. 21, to $38,209,000, a decrease of 3.7% from a year ago.

FIBREWELD INDUSTRIES
Limited

We offer, as principals, (subject to prior sale and change in price) our balance of:

CLASS "A"
and
ORDINARY SHARES

Price: $5.00 per unit

(Each unit comprising one Class "A" and one Ordinary share)

DIVIDENDS: Cumulative from October 1st, 1946, payable at the rate of 30c per annum as and when declared on Class "A." At option of holders Class "A" may be converted share for share into ordinary shares.

PLANT: Situated North Vancouver, B.C., fully equipped for the manufacture of "Permalite," a color hardened wood produced by chemically impregnating softwoods such as cottonwood, hemlock, etc. Suitable for flooring, panelling, furniture and numerous other uses.

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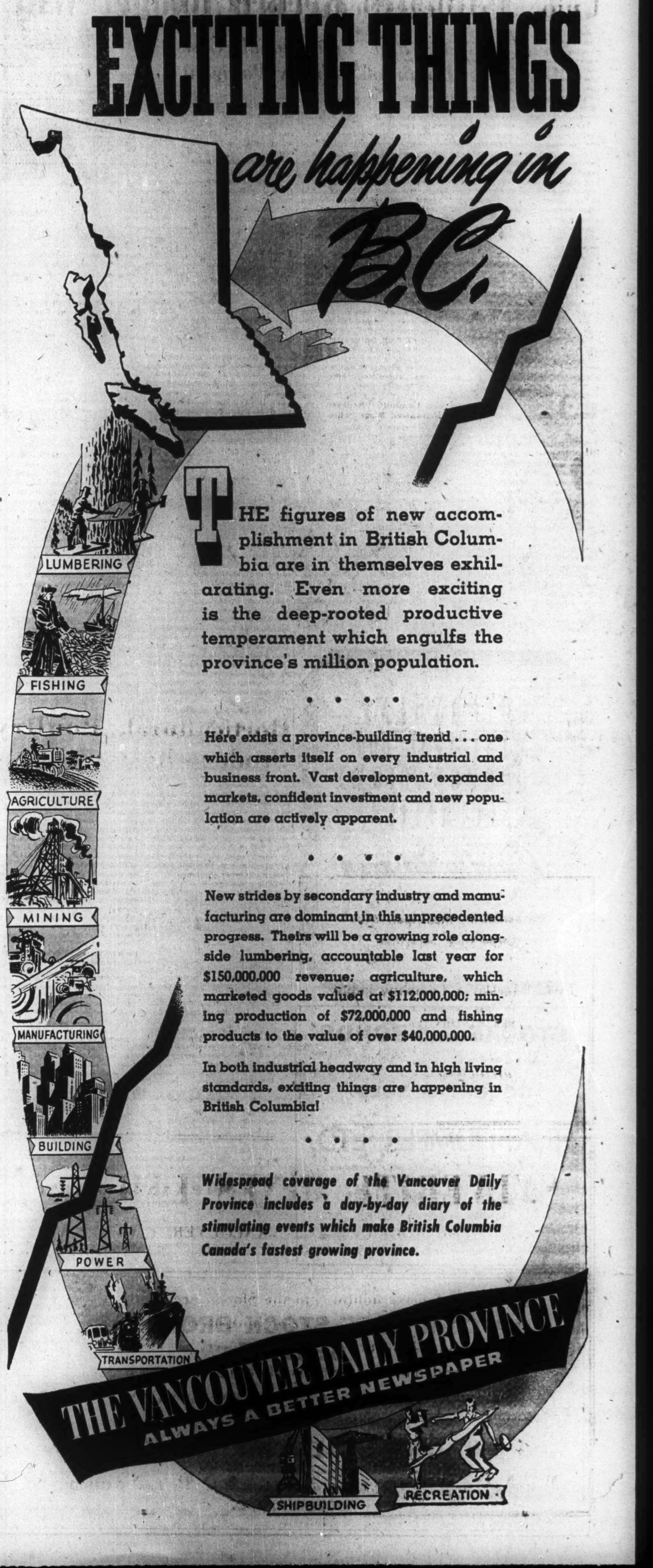
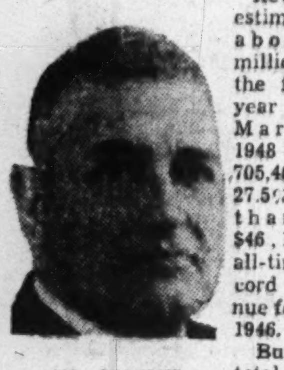


B.C. Estimates Record Budget Will Balance in '47-48

Social Service and Educational Costs May Offset Dominion Subsidy Payment

The largest budget in British Columbia's history was presented last week by Hon. Herbert Anscomb, Minister of Finance, who was presenting his first budget.

At the same time Mr. Anscomb warned B. C. residents that, as the population grows or as present population reaches a greater age, social service charges and educational costs—two items which show large increases for the 1947-48 estimates—would continue to mount. "I think it is inevitable that in the future there will have to be found some other source of revenue to take care of these progressively mounting costs," he stated.



MR. ANSCOMB

Revenue is estimated at about $59 millions for the fiscal year ending March 31, 1948 — $12,705,462 or 27.5% more than the $46,183,468 all-time record revenue for 1945-1946.

But the total of the anticipated expenditure in the 1947-48 year amounts to $58,781,334. Thus revenue will barely suffice to cover this expenditure.

Net debt is estimated at $119,324,008 for March 31, 1947—equivalent to about $119 per capita on the basis of the estimated 1,003,000 1946 population.

An examination of the past record shows that about an 18% reduction in net funded and unfunded debt from 1939 to Jan. 1, 1947, with substantial surpluses on current account has featured the finances of the Province of British Columbia during the war years. Present indications are that a substantial revenue surplus will be shown for the current fiscal year.

The greatly improved financial position combined with the trend to lower interest rates has been reflected in a great improvement in the province's credit. This is readily seen by comparing the 2.72% yield basis on which a new issue of 20-year 2¾% debentures were recently sold with the 4.125% yield basis for an offering of 10-year 4% debentures (only one half as long a term) in October, 1940.

See Further Improvement

In the future the financial position of the province may be improved still further by the new financial agreement between the Dominion and British Columbia, Hon. John Hart, the Premier, has stated.

The terms of the new five-year agreement, which is being presented to the B. C. Legislature for approval, call for the Dominion to pay an annual fee to the province in return for the lease of the fields of income and corporation taxes and succession duties. This fee will vary with increases in per capita gross national product and provincial population since 1942 but the minimum fee would be $18.1 millions.

If the agreement becomes effective, the actual amount which would be paid in 1947 is estimated at $21,357,000—about 17.7% more than the minimum. As the present minimum payment is the amount offered under the Dominion's budget proposal, the increase represents the amount of cash gain to the province under the latest proposals.

In addition the arrangement calls for the reduction of the debt owing the Dominion by B. C. Of the $34,369,760 treasury bills outstanding at June 30, 1946, $8,342,190 are to be cancelled on March 31, 1947, another $8,342,190 is to be repaid without interest over a 30-year period and the balance of $17,685,379 will be repaid by 30 installments of principal with interest at 2⅝%. The total annual payment of $1,137,184 required to discharge this debt is only slightly more than the $1,031,093 now being paid the Dominion in interest.

Social Security

While there is an immediate cash advantage accruing to the province from the new agreement, the net advantage has yet to be decided. Not yet settled are the questions of a social security program and a public investment program.

Premier Hart has stated his willingness to go to Ottawa "at any time" to discuss and try to find a solution to these problems and has stated "Prime Minister Mackenzie King has assured me that as soon as a sufficient number of provinces have signed agreements, he would call another Dominion-Provincial Conference to discuss implementation of social security measures."

It is significant, however, in estimating the net benefit to note the statement of the Hon. D. C. Abbott, Minister of Finance. He said that, as a result of the increased payments by the Dominion, the provinces will be able and must expect to assume a greater financial responsibility, while the Dominion Government will be able to reduce some of the burden of a public investment and social security program.

An advantage to the province, however, is that the agreement gives British Columbia a stability of revenue whether times are good or bad, while at the same time it allows for an expansion in line with increased population and national production.

This should help British Columbia consolidate and continue the improvement in its finances which is so evident in the last several years.

Since March 31, 1939, British Columbia's net funded and unfunded debt has been reduced 17.8% or from $151,173,000 to an estimated $124,309,000 at Jan. 1, 1947, after allowing for the new $5 million bond issue in January. This represents a net debt burden of about $124 per capita and is nearly one third less than the $190 per capita net debt of Nov. 1, 1933.

Steady Improvement

Details of the improvement in B. C.'s debt position since March 31, 1939, are shown in the accompanying table:

In the 1947 budget speech, Hon. Mr. Anscomb pointed out that since 1933 the basic average interest rate on the province's debt had been reduced from 4.73% to 3.79%—a reduction of 19.9%. This downward trend, coupled with the reduction of $8,832,396 in gross debt, had enabled an overall annual saving of $1,902,202. On a per capita basis, the burden of debt interest was reduced from $11.01 on Nov. 1, 1933, to $5.90 on Dec. 31, 1946 or over 46%.

This improved financial position along with the general trend to lower interest is reflected in the price of B. C. bonds. In January, 1947, a new issue of $5 million 2¾% 20-year sinking fund debentures due Jan. 15, 1967, were sold to the public at $100.50 and accrued interest to yield 2.72%. This presents a marked contrast to a $5,051,000 issue of 4% 10-year sinking fund debentures sold in October, 1940, at $99 and accrued interest to yield 4.125%.

The marked improvement in the province's financial position has been due to surpluses built up in its current account. For the eight fiscal years up to March 31, 1946, the current account surpluses before debt redemption and sinking fund total $64,245,000.

The yearly surplus figures and details of the revenue and expenditure are shown in the accompanying table:

Revenue collections were estimated at $42,152,387 for the fiscal year ending March 31, 1947, in last year's budget speech. Expenditures were set at $42,089,508—up $4,884,674 from the previous year—and leaving an anticipated net revenue surplus of $62,879.

The main factors for the increased current expenditures were the implementation of the recommendations contained in the Cameron Report on the cost of education and the adoption of a substantial part of the recommendations made in the Sloan Report on forestry, Premier Hart stated.

In the 1947 budget speech Mr. Anscomb estimates current expenditures for the 1946-47 year at $50,197,076 or $8,107,565 more than the budget provided for. But he notes that "current revenue this year will provide funds which will amply cover the gross total just referred to." For the nine months ended Dec. 31, 1946, revenue collections amounted to $34,280,381, while expenditures, posted in the books to that date, were $29,232,787.

For the 1947-48 fiscal year revenue is estimated at $59 millions while the total of anticipated expenditures amounted to $58,781,334.

In his speech Mr. Anscomb states "In all respects this budget is very realistic. It not only provides for a normal, but strictly controlled cost of government. It reflects sympathetic consideration of the financial difficulties incurred by provincial governments and the determination of the provincial government to implement recommendations of the Goldenberg Report, as far as that report at present can be converted into terms of money; it provides for a still further relief in educational costs to both municipalities and rural districts, thus developing still further the plans that this government has already laid down. It provides $6 million for the maintenance and repair to roads and bridges . . . In addition an amount equivalent to the proceeds of the additional three-cent tax on gasoline has been earmarked for hard-surfacing of roads. Thus nearly $8.5 millions would be available from current account for highways."

An increase of $1.3 million is budgeted for the Lands and Forests Department as "continued prosperity of our forests is entirely dependent upon the preservation and replenishment of those natural resources."

Municipalities will receive an extra $1,807,000 under recommendation of the Goldenberg Report.

Education grants will be increased by $1.7 millions of which $920,000 is required to implement the Goldenberg Report.

In addition to the $8,250,000 budgeted for maintenance and hard surfacing of roads in the coming fiscal year, Mr. Anscomb proposes to appropriate $15 millions from Revenue Surplus Appropriation Account for new construction over the next three years. In addition a loan bill for $5 millions, specifically for bridges, will be presented.

A further $10 millions will be appropriated for the B.C. Power Commission.

Looking to the future a change in the downward trend of net debt seems inevitable. In his budget, Mr. Anscomb states "It is common knowledge that there is need for vast expenditures on capital projects. These embrace the construction of new roads and bridges on a scale undreamed of in the past, yet of an imperative need of the development of the province is to be carried out at a rate commensurate with public needs. They embrace likewise institutional and public buildings; railway extensions; land clearing and irrigation; and such other works as are deemed necessary and expedient for the public good. We anticipate, therefore, capital borrowing involving many millions."

This accumulation of capital undertakings, many of which had to be deferred because of the war, while others are new projects needed to keep up with the development of the province, would point to an increase in debt.

In last year's budget speech Premier Hart pointed out that every effort would be made to time public works in a manner which would lend itself best to afford employment when it was likely to be needed most, but that certain public works could not be deferred without impairing existing services and the "proper development" of the province. How soon and how fast the debt may increase will depend on this timing.

REVENUE AND EXPENDITURE
(Thousands of Dollars)

Year Ended March 31	1939	1940	1941	1942	1943	1944	1945	1946
Current Revenue								
Dominion subsidies	1,634	1,634	1,634	13,015	*13,569	*13,870	*13,350	*13,052
Taxation:								
Income and personal property	10,003	8,124	10,535	705	....	....	....	....
Land taxes	2,056	2,113	1,936	1,312	1,308	1,370	1,300	1,335
Coal and coke tax	101	155	137	144	173	163	164	127
Mineral tax	582	716	825	806	929	714	490	629
School tax	886	977	675	909	1,049	†158	†142	†96
Gasoline tax	3,284	3,435	3,760	4,006	*3,383	*3,139	*3,357	4,331
Fuel oil tax	433	461	513	558	334	308	333	383
Succession duties	704	1,162	889	761	918	1,450	1,371	1,733
Timber leases, licenses and royalties	2,387	2,499	2,740	3,084	3,470	3,449	3,513	3,589
Motor licenses	2,826	3,052	3,360	3,358	2,061	2,032	2,987	3,313
Liquor profits	3,883	4,457	4,841	5,528	3,146	8,945	7,542	11,184
Miscellaneous other revenue	3,051	3,029	3,381	4,370	4,708	5,186	6,083	7,360
Total	32,640	32,826	36,534	38,764	39,987	38,761	40,814	46,183
Current Expenditure								
Interest and exchange	7,665	7,780	7,971	7,286	6,767	6,329	6,290	6,306
Sinking fund‡	1,151	382	317	334	681	81	81	1,061
Serial maturities	328	328	528	533	532	1,342	1,381	1,332
Special debt redemption	2,047	....	33	1,083	129	100	101	100
Education	4,318	4,434	4,567	4,812	4,969	4,286	4,973	5,329
All other ordinary expenditure	10,553	11,093	11,128	17,201	18,336	18,874	20,973	23,294
Total	31,639	29,446	29,653	31,343	31,818	31,485	33,909	38,042
Current account surplus	1,001	3,380	6,801	7,421	8,139	7,276	6,905	8,141
Current account surplus before debt redemption and sinking fund	4,727	4,210	7,378	9,265	9,634	9,049	8,878	11,354

*In addition to the statutory subsidy received from the Dominion Government there is included a fixed subvention of $12,048,398 payable annually to the Province by the Dominion pursuant to the Dominion-Provincial Taxation Agreement Act, 1942. By this Agreement the Province agreed to vacate the fields of corporation and personal income tax for the duration of the war, in lieu of which it received annually from the Dominion the above amount which represents the amount actually received by the Province from these sources in the fiscal year ended March 31, 1941. In addition, these figures include grants from the Dominion of $480,123 in 1943, $824,601 in 1944 and $506,480 in 1945, being the amounts by which the net receipts from the sale of gasoline in those years were less than the amount collected by the Province in the base year. (See remarks concerning new proposed Agreement with Dominion).

†Net amount only is now brought to revenue, payments to rural school districts being deducted.

‡The Province's Sinking Fund was originally destined to retire each Sinking Fund issue at maturity. Heavy annual appropriations for the Sinking Fund were included in current expenditures up to the end of the fiscal year March 31, 1933. These payments were largely discontinued in the depression and based on actuarial requirements the payments in the Fund were in arrears $19,565,068 as at March 31, 1946. The full actuarial requirements of the Fund are being met for the current year. The Sinking Fund including cash, investments and accrued interest as at January 1, 1947, amounted to approximately $20,814,000. Furthermore, it is to be noted that the Province includes payments of its serial capital maturities in current expenditures, and from November 1, 1933, to March 31, 1946, in addition to sinking fund instalments, has made payments of approximately $17,684,000 from revenue surplus and $11,936,000 from current revenue for purposes of debt redemption.

FUNDED AND UNFUNDED DEBT
(Thousands of Dollars)

March 31	1939	1940	1941	1942	1943	1944	1945	1946	Estimated Jan. 1, 1947
Gross funded debt	142,329	141,209	146,746	121,822	117,381	114,930	113,465	116,302	*126,418
Treasury bills									
Dominion Government	32,957	34,504	34,744	34,744	34,622	34,533	34,467	34,370	†25,770
Chartered banks	6,191	9,191	6,251	4,000	......	......	......	3,425	1,710
Other	1,075	425	425	850	1,250	1,825	2,725	4,135	425
Total treasury bills	40,223	44,120	41,420	39,694	35,873	36,358	37,192	41,990	27,905
Floating Debt: Balance of deficit to March 31, 1934, remaining unfinanced	4,067	4,067	4,067	4,067	......	......	......	......	......
Gross funded & unfunded debt	186,619	189,396	192,233	165,583	153,254	151,288	150,597	158,592	154,324
Less: Sinking fund (Treasury valuation)	35,446	37,072	40,187	19,899	17,634	17,613	18,402	20,316	20,015
Self-supporting debt (B. C. Power Commission)	......	......	......	......	......	......	......	6,550	10,000
Net funded & unfunded debt	151,173	152,324	152,046	145,684	135,620	133,675	132,195	131,726	124,309
Contingent liabilities‡	8,847	10,317	11,407	10,294	10,554	10,568	10,783	10,619	▲10,619

*Including new issue to be dated January 15, 1947.
†After deducting $8,342,190 of Treasury Bills to be cancelled March 31, 1947, pursuant to Dominion-Provincial Agreement.
‡Does not include guaranteed securities of the Canadian Northern Railway Company, which railway is now part of the Canadian National Railway System which is owned by the Dominion Government. The province never has been called upon to implement its guarantee.
▲As at March 31, 1946.
At the present time over $73,000,000 in Dominion of Canada Victory Bonds are held in various accounts under control of the Province.

COMPANY REPORTS

THIRD CANADIAN GENERAL INVESTMENT 1946 net profit was off 2.9%. A smaller total of premiums arising from redemption of preferred shares and compulsorily included in income, largely accounted for this reduction in net profit. Expenses, other than taxes, aggregated $8,948, or approximately one quarter of 1% of net assets.

Company portfolio investments as at year end are carried in balance sheet at $2,160,804, consisting entirely of marketable securities. Present worth of these securities was estimated on a conservative basis at $3,350,478. After deducting liabilities, net assets had a value of $3,441,294 as at year end ($3,344,938 the previous year).

As a result of changes in portfolio holdings, profits amounting to $199,292 were realized on securities sold and redeemed.

Below is a classification according to type of investment.

	1944 %	1945 %	1946 %
Cash	.02	5.15	3.14
Bonds & debents.	5.85	5.63	4.41
Preference shares	41.42	39.62	42.76
Bank & trust co. shs.	17.69	16.20	15.17
Common shares	34.93	33.40	34.52
	100.00	100.00	100.00

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Total income	$157,858	$161,576
Less: Manage. fee	8,000	7,167
Other fees & misc.	3,076	2,607
Inc. tax res.	1,250	1,806
Net profit	145,532	149,996
Less: Dividends	127,529	120,989
Surplus for year	18,003	29,007
Earnings per Share and Dividend Record:		
Earned	$0.22	$0.23
Paid	0.19½	0.18½
Net asset val. per sh.	$5.94	$5.10
Capital gain†	199,292	95,286

†Net profit on securities sold, added to capital surplus.

BALANCE SHEET

As at Dec. 31:	1946	1945
Cash in bank	$70,006	$103,996
Secs. sold	......	1,575
Marketable secs.*	2,160,805	1,901,616
Accr. int. & divds.	28,966	26,163
Total assets	2,259,777	2,033,344
Misc. liabilities	7,457	362
Invest. res. (mines)	13,560	11,568
Inc. tax res.	700	1,550
Capital stock	653,994	653,994
Capital surplus	1,249,410	1,050,118
Earned surplus	334,656	315,752
*Market value	3,350,478	3,215,122

To Elevate Status Of Coast's Fisheries

VICTORIA—Formal action to raise administration of fisheries to departmental status has been taken in the B. C. Legislature. At present fisheries are administered by a commission headed by Trade and Industry Minister L. H. Eyres, who is expected to head the new department.

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The Times is the Only Evening Newspaper Published in Victoria
Victoria Daily Times
"THE HOME PAPER"

Interesting Figures from VICTORIA BRITISH COLUMBIA
ASSESSED VALUE for TAXATION
Land and Improvements
1946 $47,554,689
1947 $51,528,915
COLLECTIONS
1946 Current Tax Levy $1,693,900
" " Collected ...... 1,613,800 or 95.3%
Total Collected of Current Taxes and Arrears: $1,696,200, which is 100.1% of the current tax levy
ANNUAL DEBT CHARGES
Before Refunding in 1937 approximately $1,286,000
in 1946 approximately .... $ 680,000
Victoria is the Capital City of British Columbia strategically situated at the southern end of beautiful Vancouver Island. It is the first and last port of call for Trans-Pacific shipping. The moderate climate is one of the most equable on the North American continent. The total population of Greater Victoria is now approximately 100,000.
Further Information Gladly Supplied By
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B.C. Mines Aim at Bigger Output

High Prices for Base Metals And Silver Brighten Outlook

More important to British Columbia than her fisheries, and even approaching agriculture in value of dollar output, is the west coast province's sprawling mining industry which turned out $73.5 millions of new mineral wealth in 1946 (DBS preliminary estimate).

Because the industry really is sprawling, the nature and extent of the province's mineral resources have not always been appreciated. The huge mining and metallurgical works represented by Consolidated Smelters Sullivan mine and Trail operations, respectively, the numerous gold mines operating up and down the coast, the coal mines of Vancouver Island and B. C. mainland, the two substantial copper producers (Granby and Britannia), and a host of other units make up a mining industry which matches any province in Canada in variety of its products.

Higher Prices The Key

A $9.4 millions increase in B. C. mineral production in 1946 was chiefly the reflection of higher average prices for three products—lead, zinc and silver—rather than any great new achievement on the production front. Transition from war to peace caused too much trouble by way of strikes and difficult supply situations to allow management to hang up new production records.

A strike in the gold mines caused gold production to shrink to the relatively minute total of $4.5 millions—actually $600,000 less than the silver output for the year—and emphasized the need for some positive new program if the great B. C. gold mining industry is to be restored to anything like its previous prosperity.

B. C. production of silver is large because there is a big byproduct output from base metal mining; but a number of new silver producers may make silver still more important in the next few years.

Emphasize Lead Output

With mining practice at the world's largest lead-zinc mine, the Sullivan, getting back closer to normal, volume of lead output showed an increase in 1946 while the province's zinc output was lower. Due to greatly increased prices for both these metals, value in each instance moved ahead. A total of 346.6 milllion pounds of lead produced (10.3 million pounds over 1945) was worth $23.4 millions—or $6.6 millions more than the 1945 value.

Zinc production totalled 275 million pounds in 1946—over 60% of the Dominion's total—but was, however, almost 20 million pounds less than in the previous year. Value increased from $19 millions to $21.5 millions.

With further advances taking place in 1947 in both the prices of lead and zinc, the prospects for a further substantial increase in the value of production in the current year appear rather bright.

Copper Prospect Bright

Copper production in 1947 stands a good chance of advancing well beyond the 1946 figure of $2.7 millions realized from 20,719,142 lb. of copper turned out. Not only is the price of copper now much higher than the average prevailing in 1946, but conditions are much more settled at both Granby and Britannia, and the output of these two producers is expected to be supplemented by Twin "J" Mines and other producers.

British Columbia continues to be the only province producing a number of metals — antimony, bismuth, tin (almost $500,000 of tin in 1946). While the dollar value of special metals turned out is not large, the over-all significance to the company's economy is important, and these particular resources provide an excellent economic bulwark in wartime.

Coal Output Was Off

Production of 1.6 million tons of coal in 1946 worth $6.9 millions, represented a slight reduction in both total tonnage and total value over the preceding year; and went slightly against the trend for the country as a whole.

The province produced no natural gas, peat or petroleum of any consequence in 1946, but the province has real potential possibilities for all three of these products.

British Columbia is the only province other than Nova Scotia to produce barite and diatomite. It is the Dominion's largest producer of peat moss—B. C. Peat Co. has turned out to be quite a profitable producer—and more sulphur is being turned out in the province than in any other in the Dominion.

Production of clay products and other structural materials showed a considerable growth in 1946 reflecting augmented activity in the building trades. Value of materials produced was $4.5 millions or something over $700,000 more than the previous year.

2nd Largest In Metals

Metals constituted no less than $58.8 millions of a total mineral production of $73.5 millions for British Columbia in 1946, and once again British Columbia was the Dominion's second largest metal-producing province, increasing its lead over Quebec by a substantial margin.

The prospects for increased production of British Columbia mineral resources appear bright in almost every direction. Nonferrous metals are short in the world today, and although British Columbia has been turning out base metals in quantity for many years, it is still one of the brightest prospects for expanding production.

This year is being featured by a long delayed recovery in gold mining, and the prospects for placing new gold mines in production are really tangible.

A renaissance is being experienced in the business of silver mining, and spending of some $1 million to equip Torbrit Silver Mines for production highlights the program of the British Columbia silver mining industry.

Much will be heard from newer base metal operations in British Columbia in the next few years. Mention has already been made of renewed activity at Twin "J" Mines. Base Metals Mining Corp. has experienced a change in management and a new program of development is anticipated shortly. Reeves Macdonald has a large deposit of lead-zinc ore and production plans are entertained. Duthie Mines has plans for production now that diamond drilling has returned interesting results. The Little Billie Mine offers production possibilities. The old Slocan district is experiencing quite a marked revival. Higher prices for lead and zinc make the outlook for Sheep Creek's Zincton Mines more promising.

A major program leading up to a great expansion in gold production appears to be shaping up in British Columbia, embracing expansion of known mines and opening of new ones. Producers such as Reno, Kootenay Belle and a number of other smaller operations have fallen by the wayside, but several of the remaining producers have big expansion programs in mind. Development results are advancing other properties quickly toward the production stage.

Bralorne Mines and Taku River Gold Mines have programs mapped out for expansion of production facilities as soon as conditions permit. Fine new results in "27" vein at Pioneer Gold Mines appeared to have assured a new lease of life for this old Bridge River producer.

Exploration in the Bridge River area has been on a much broader scale over the past year or more and new information gradually being accumulated suggests that all production possibilities have by no means been tapped.

Privateer is producing again in the Zeballos field and there is activity by other companies in the same field.

Cariboo Gold Quartz, with the assistance of new eastern financing, plans to complete a new operating shaft, and an associated company is exploring the Williams Creek property next door.

Privateer seems to have turned up a small gold mine in the Tranquil River area on the west coast of Vancouver Island.

Hedley Mascot, with new ore sources, will probably give a good postwar account of itself.

Silbak-Premier can expect considerably improved results with the higher price for silver.

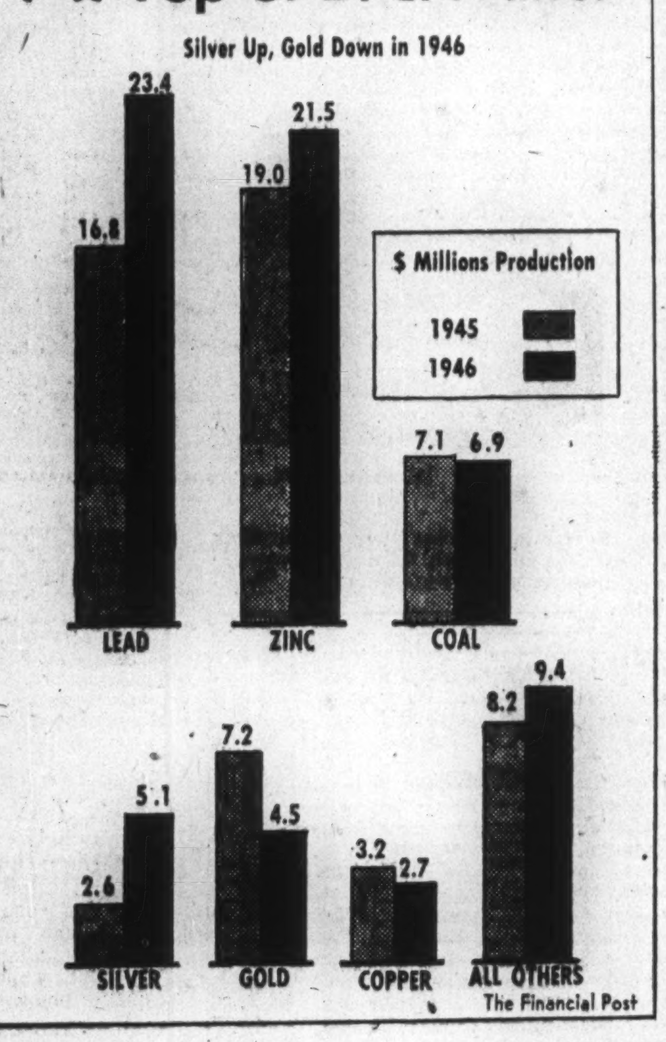
Just where the new mines will emerge, of course, is difficult to forecast. But there are a considerable number of shafts and adits being driven. Even moderate success should mean a fair step-up in the number of British Columbia gold mines. Kenville is to complete a 125-ton mill for sampling purposes and will probably be about the first of the new gold producers. New placer gold dredges are going into operation in British Columbia this spring, will augment the province's bullion production.

Silver Almost Forgotten

Silver mining became almost a forgotten business in Canada when silver touched 25 cents an ounce in the depression. But last year silver reached a price of 91 cents an ounce and is now selling around the 80-cent mark. Highland-Bell which showed its ability to produce profitably with silver half its present price has now demonstrated interesting new ore possibilities and is thinking in terms of a mill. With the success of Highland-Bell, a number of other silver operators have been busy. Big Four Silver Mines, Highland Silver, Highland Surprise, Silver Standard, Sylveryte, Silver Ridge, are among the newly active operations. Torbrit Silver Mines, financed by Mining Corp. of Canada, looks like the biggest of the new companies, with nearly half a million tons of close to 20-oz. silver ore.

If British Columbia were more highly industrialized than is the case, production of coal would probably be much greater. So far it has been the coal resources of the southern part of the province which have supplied bulk of production. But the Peace River and adjacent territory is known to be coal-bearing, offers virgin resources for development. Canadian Collieries is opening up new mines on Vancouver Island, and there is little doubt but what B. C. coal production is susceptible of major expansion—granted favorable conditions.

Lead Replaces Zinc At Top of B.C. Mines



B. C. "Has Enough Breweries" Veterans' Application Fails

From Our Own Correspondent

VANCOUVER—A group of British Columbia veterans, who for nearly a year have been trying to establish a brewery in B. C., ran into another snag this week in the form of the B. C. Government.

The group was turned down previously on its request for a license on the grounds that it was not in the public interest. On a second application, Attorney-General Wismer said granting of this license "would upset the Government's entire policy of brewery control."

A letter made public by the attorney-general said: "When liquor control was first introduced in this province, there were, as there are now, far more breweries in operation according to population. Volume of production was larger than in any other province in Canada and the experience of the Liquor Control Board was such that it was found impossible to supervise properly the operation of breweries in the competition for the business available.

"A considerable amount of money was spent by the Liquor Control Board in an effort to supervise. Inspectors were appointed for each brewery, but it was found impossible to control the orderly distribution of the beer produced.

Business Distributed

"In 1923, an arrangement was made whereby each existing brewery received a certain percentage of the total business in the coastal districts, the percentage being worked out by an independent firm of chartered accountants.

"This policy has been approved by each succeeding attorney-general and government, and although many applications have been made by responsible citizens, well-financed and experienced in this business, they have always been refused.

"So you see what you are now doing in asking the Government to review and alter this policy, which has been so much in the public interest, and grant a license to your group.

"You will, of course, realize that if this were done we would in fairness, have to grant the licenses previously refused, since many of these applicants are again pressing for a license within the province. We have also two other applications from groups of veterans, made since your application."

Refusal of the license was hit later in the legislature by Herbert Gargrave, CCF of Mackenzie.

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Ready-Mix Cement Plant for Victoria

From Our Own Correspondent

VICTORIA—Something new for Vancouver Island is the "ready mix" cement plant planned here by Evans, Coleman & Johnson Bros. Ltd. A two-story cement plant will be built with new roads to and from the industry. Less than two months ago, the company acquired large holdings in property and docks from the Canadian National Railways.

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White Elephant Grain Elevator Still Idle on Victoria's Hands

From Our Own Correspondent

VICTORIA — Victoria's city-owned Ogden Point grain elevator is a "white elephant" which haunts members of the City Council.

A move to do something about the elevator . . . idle since a private company cancelled its lease last year . . . was started on the basis of reports that Vancouver elevators were overtaxed. The investigation showed only that the elevator will undoubtedly remain a "white elephant."

Major M. Kirkpatrick Crockett, lands commissioner, reported after a visit to Vancouver that Mainland elevators were operating at less than one third capacity and two of the harbor board elevators had received no grain this year.

Victoria should receive its share of whatever total is arriving on the west coast, Ald. R. A. C. Dewar, chairman of the lands committee, contends.

This city's elevator "is in excellent condition, compared with any of the three I inspected in Vancouver," Major Crockett said.

Until this year, the city received a minimum annual rental of $17,500; and the elevator was repaired at considerable cost after it became vacant.

AUMAQUE GOLD MINES has completed preparations for sinking the winze on "B" shoot from 500-ft. level. Drift backs over site of winze and in ore are being taken down for erection of headgear. Three rounds taken down show an average of $16.20 over 5.8 ft. Diamond drill hole 540, designed to cut the vein 75 ft. below the 500-ft. level, yielded 12.5 ft. assaying $8.12 across true width of 7.8 ft. Last two rounds in 207 east drift indicated probability of parallel lenses in the zone at present exploration.

TORONTO ELEVATORS LTD. has advised that by resolution of directors, 40,000 common shares were set aside for issuance to employees of the company under the stock purchase plan. Of this block, 34,984 shares have been taken up and paid for at $7.50 a share, thereby increasing the number of common outstanding to 244,356 shares.

MALLEN RED LAKE GOLD MINES has acquired a working option on 27 additional claims in Heyson and Byshe twps., Red Lake, known as Valloc and Hamilton properties. A geophysical survey has been undertaken on this new acreage.

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CANADA'S GREATEST FISHERY
In 1944, the last year on record, British Columbia led all Canada in value of fish production. This amounted to $34,900,990, and represented 39% of the total value of fish production in Canada.
The Pacific coast fishing industry employs more than 18,000 British Columbians, and operates some of the largest and most modern fish canneries, reduction and cold storage plants on the continent. British Columbia is the home of Canada's great salmon canning industry.
As one of the leading fishing companies in the province, British Columbia Packers Limited has dedicated itself to the maintenance and perpetuation of the Pacific coast fishing industry. To preserve, through modern processing methods, the flavor and food value of every fish caught; to develop new by-products from waste, and to co-operate with Government authorities in preserving our fish resources — these are some of the aims being successfully achieved by this company.

BRITISH COLUMBIA PACKERS LIMITED
VANCOUVER, CANADA

Ship's Voyage Sells Engines

Latin America Sends 78 Orders to Vancouver Firm After B. C. Fishing Boat Acts as Trade Ambassador

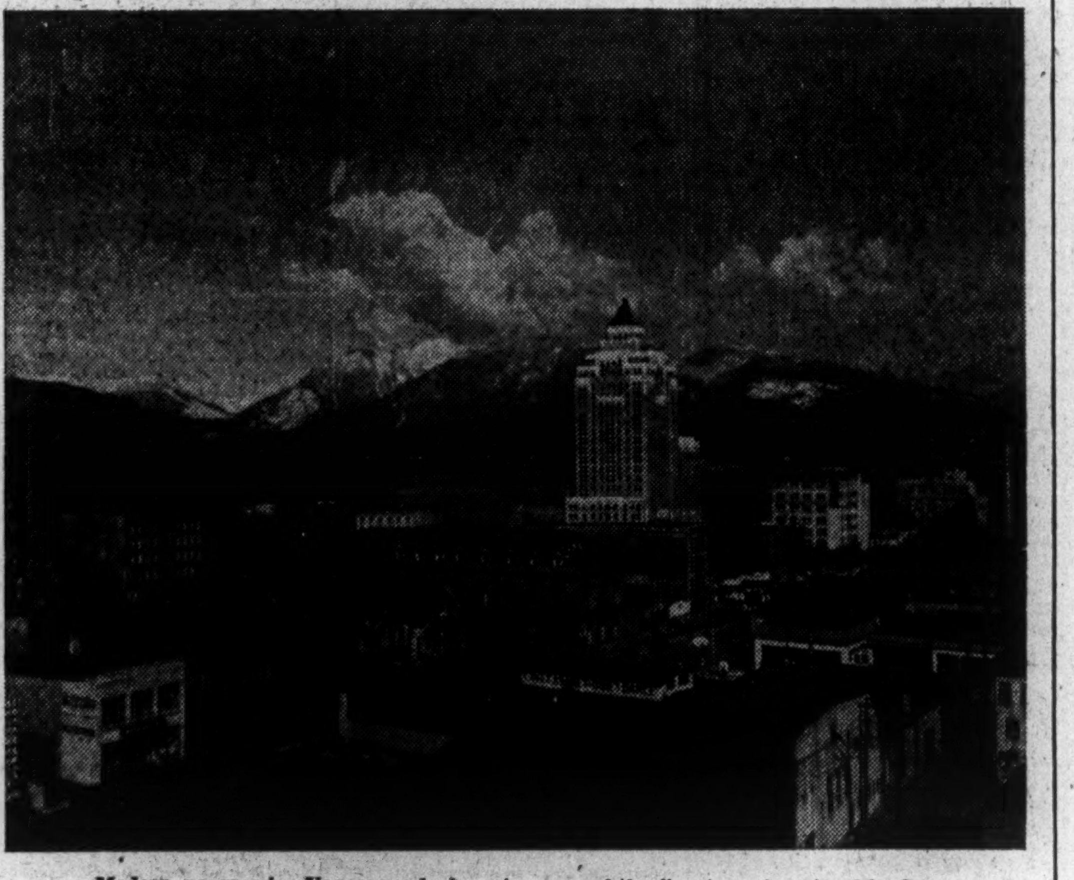
From Our Own Correspondent

VANCOUVER — Since the Arauco II, a husky B. C.-built trawler, sailed to South America last year, the Vivian Engine Works of Vancouver has received orders for 78 engines, valued at nearly $500,000 from that hitherto undeveloped market.

The Arauco, conceived by Will Vivian, head of Canada's largest Diesel-engine building firm, and powered by one of his new 120-h.p. Diesels, proved to be a trade ambassador to Latin America for a company which has produced 1,200 Diesel engines since 1930, the first year of Diesel production.

During 1945 a record of 250 engines with a combined horsepower of 75,000 were made. Last year supply scarcities cut this down to 150, but already this year production is beginning to climb. More than 900 persons were employed in the four Vivian plants in Vancouver two years ago, but the drop left only 450. This number, too, is now rising.

In a province far from raw material supplies, Vivian's position is unique. Engines made in these factories go to eastern Canadian industries as well as those in B. C., and to the export markets of the world. Mexico and Australia take many. About 50% of the engines go to the export trade.



Modern, progressive Vancouver looks out on one of the finest scenic natural harbors in the world, with mountain ranges behind the North Shore forming the background. In the foreground is the Marine Building, typical of the modern structures which house Vancouver's business and commercial life.

Started In 1909

The Vivian plant started in 1909, manufacturing gas engines which powered a large number of B. C.'s fishing and tow boats and industrial installations in the early days. The switch was made to Diesels in 1930, but the gas engines in 25- and 50-h.p. heavy duty marine sizes are still being made. Diesels range from 35 h.p. to more than 600 h.p.

Will Vivian, leader of B. C.'s "secondary" industries, was born in Vancouver in 1890. As a youth he developed a great interest in machines and from tinkering with them he decided that he could build them. Knowing the needs of rugged British Columbia he made an engine for them.

Some of the more recent Vivian "million dollar jobs" are: In May of 1941, the plant built two 17-ton and two six-ton Diesels for defense projects at Gaspe, Quebec; in March of the same year six 300-h.p. engines were produced for wooden patrol vessels for the Canadian Navy; in January, 1944, the Admiralty ordered $2 millions worth of Diesels for heavy duty salvage tugs; a few months later the plant went to work at another $2 millions worth of Diesel generators for Vancouver-built ships; in October of the same year the plant announced a million dollar contract for tug engines for Britain.

These are but a few of the many contracts. The plant is now working on 18 big engines for the B. C. Power Commission and engines for a score of different uses.

With that background of experience and dependable service, the Arauco II was designed to be sent south as a "trade ambassador," to capture a share in Latin American orders for boats, engines and fishing gear.

Carried Latest Equipment

Built as a joint venture of Vivian and the Star Shipyards (Mercer's), New Westminster, the trim 60-foot fishing vessel was outfitted at an estimated cost of $100,000. She carried the latest in equipment, including direction finders, radio, supersonic depth recorders, and marine and fishing power devices.

After her outfitting and shakedown cruise she headed into the Pacific for an exciting 7,000-mile cruise under the command of Capt. Fred E. Kohse, veteran B. C. coast fishing skipper, and a crew of four experienced fishermen and seamen.

On April 6, 1946, the ship left Vancouver's harbor and officially began her trip. First danger, said the ship's log, was "on the next day, when proceeding down the Straits of Juan de Fuca, the vessel struck a submerged log and a slight vibration noted in the propeller might indicate some damage.

"When the storm abated after three days we found jellyfish, kelp and other flotsam lying on top of the wheelhouse and the funnel."

On April 13 the Arauco II entered San Diego Harbor. Here was trouble again in the form of customs and immigrations officials "demanding numerous copies of practically every available document, plus many others which we were not obliged to carry."

Propeller Blades Bent

Two days later Capt. Kohse had the ship inspected and found two blades on the propeller were bent. The spare "prop" was shipped, and the other straightened.

The Arauco reached La Libertad on April 27 and "saw guards on the wharf with rifles, bayonets and machetes. However, Fred plucked up courage and went in search of the captain of the port."

Next stop was the town of La Union, El Salvador, with a population of 7,000.

"The best hotel in town is the Hotel American, Yankee in name only. While dining in this establishment, one is constantly bothered by pigs and dogs who wander in and rub themselves against the table legs, parrots screeching in the trees and the small boys mooching cigarettes."

On May 3, approaching Isla Montacosa, the crew sighted a warship coming up from the southwest.

"As she came closer her signal lamps began to chatter, but unfortunately we were unable to answer as our searchlight is not adapted for signalling. Eventually she came abeam of us and we recognized her as the Canadian cruiser Uganda."

In Danger Again

May 7 another submerged object was struck, with no damage to the hull but increased vibration, indicating propeller damage again. This did not interfere with her performance, however, and the ship arrived safely in Buenaventura.

She was met by J. H. Budd, export manager for Vivian, who had arranged demonstrations of the engine, the ship and fishing techniques to fishermen and government officials. They were amazed at the innovations both in method and equipment.

The cruise was uneventful from there until off the coast at 2,100 hours on May 23. Here "a sudden heavy sea came over the starboard and carried away the ship's lifeboat and part of the main hatch."

Efforts to find them were unavailing and the vessel proceeded cautiously to Callao, Peru, arriving there June 1.

Here she was dry-docked, repairs made and a new propeller shipped to allow the old one to be straightened.

Painted, cleaned and ship-shape the Arauco arrived in Chile and for nearly the whole month of June she entertained generals, admirals, businessmen, fishermen and their ladies. Thousands were impressed with the work and production methods of these men and machines from British Columbia.

Officials Inspect Ship

At Valparaiso, the largest port on the west coast of South America, the ship was examined by government heads and officials of the Corporation de Fomento (Corporation for the Stimulation of Production). Here Fred Nelson, sales manager of Vivian, and Mr. Budd were waiting to meet officials and arrange deals.

At San Antonio from July 29 to Aug. 18, the ship showed the South Americans how to fish the Canadian way. On one trip several tons of "mulucha," a mackerel-like fish, were caught, and this clinched the sale of the vessel to Dr. Eugenio Suarez, director of the Institute of Bacteriologico de Chile. This institute is devoted to raising the health standard of the people of Chile, through proper feeding, the use of vitamins and better all-around living.

In every port the vessel touched, the publicity both in local papers and by word-of-mouth was tremendous, and the trip did a great deal to awaken the interest of South America in Canada.

B. C. Budget Illustrates Formula for Tax Accord

Under the new Dominion-Provincial tax agreements, provision is made for increasing the minimum annual payment to each province which signed, in accordance with a formula based on variations in population and the value of the "gross national product."

A good example of how this works out is contained in the Hon. Herbert Anscomb's budget speech last week showing how it works for British Columbia. He states:

The province is prepared to adopt for five years, a proposal which requires vacating of the income, corporation, and succession duty tax fields, in exchange for a minimum rental fee being made up as follows:

$12.75 per capita on the 1942 population estimated 870,000 persons $11,092,500.

50% of the provincial income and corporation tax revenue for the year ended on March 31, 1941 ($12,048,367.51) $6,024,184.

Statutory subsidies payable in 1947 $1,033,440.

This gives a total of $18,120,124.

The payment for the fiscal year 1947-48, however, will reflect the increase in gross national production as well as the increase in provincial population. For computation purposes, a three-year average is taken with respect to gross national production. The amount for the year 1947 being determined by the three preceding years, i.e.,

	Gross national production (000,000)	National population (000)	Gross nat'l production per capita
1944	$11,771	11,975	$982.96451
1945	11,359	12,125	936.82474
1946	11,000	12,316	893.14713

Bearing in mind that, according to the estimates provided by the Dominion Bureau of Statistics, British Columbia's population during 1944 amounted to 932,000, that during 1945 it numbered 967,000, and that during 1946 its total was 1,003,000, the following ratios are derived:

	Population ratio %	Gross national production ratio %	Composite ratio %
1942 ...	100.00	100.00	100.00
1944 ...	107.12	111.26	119.19
1945 ...	111.14	106.03	117.86
1946 ...	115.26	101.09	116.54

The payment, therefore, is arrived at by multiplying the minimum for each year by the composite ratio. This produces the following results:

1944	$21,597,432
1945	21,356,655
1946	21,118,952
TOTAL	$64,073,039
Average	$21,357,680

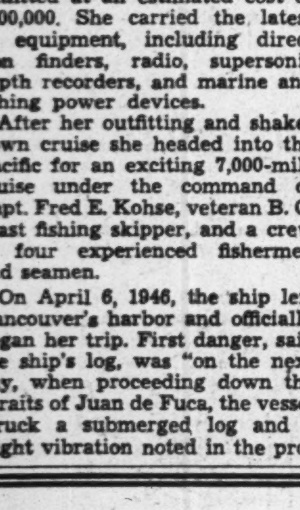
The decline in the ratio of national production has more than offset the rise in the population ratio, and volume of payments to the province will decrease in the future unless production rises to higher levels.

CROWSHORE PATRICIA GOLD MINES advises that crosscut to northwest to "A" and "C" zones has progressed 386 ft. on 550-ft. level. The drive to the south, to cut the "B" zone, has advanced 85 ft. Approximately 2,000 ft. of lateral work has been contracted for on this horizon. Company plans some flat drilling to north and south from crosscut, to pick up parallel veins located on surface.

BANKUR PATRICIA GOLD MINES has started diamond drilling on 1,000 acres, adjoining Crowshore Patricia Gold Mines to northeast. Initial drilling, suggested as a result of a magnetometer survey, will explore an iron formation belt extending from the Crowshore property for approximately a mile across Bankur ground.

VALDORA MINES advises that results of hole 401 confirm the theory that gold-bearing zone discovered on El Sol and traced into Valdora by three previous borings, persists eastward. Gold values in 401 were widespread, occurring from 258 to 681 ft. and included 3 ft. of $9.45, 3 ft. of $5.60, 1 ft. of $4.90 and 2 ft. of $3.15. Hole 501 is drilling 100 ft. further east.

FRANK E. HALL CARL I. HALL



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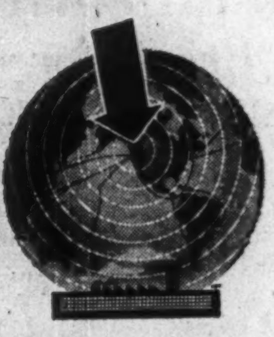
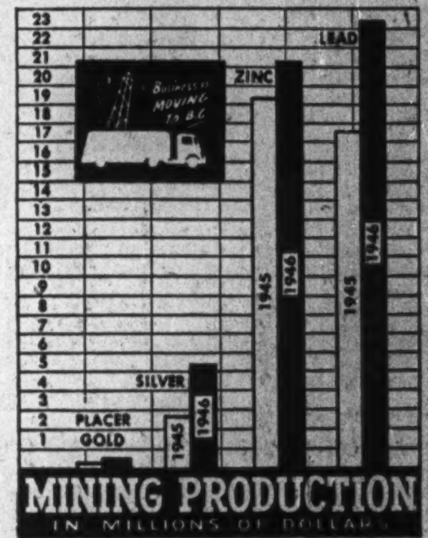
W. B. MILNER. . . *from Toronto to Vancouver*



MINING IS ONE REASON WHY

Successful mining men are staking claims in British Columbia's money-making properties. Men like W. B. Milner, of Milner Ross & Co., president of Polaris Taku Mining Co. and associated companies, long established in Eastern fields, chose British Columbia because of its mining possibilities, its climate, its down-to-earth living costs. Mining men like Lieut.-Colonel E. M. Thomson, Sir Henry Drayton, whose previous successful operation of the Jason Mine in Ontario established them in the mining field. Men like Karl Springer, president of Leitch Gold Mines and Springer-Sturgeon Gold Mines, who has acquired several outstanding properties in British Columbia. These mining experts know where the money lies. That's why they are concentrating on the rich British Columbia properties.



Investigate Vancouver, B.C. Canada's third city, on Pacific tidewater, is doing a record business because of record mining, logging, farming and industrial development. Expenses here are cut to the bone. Temperate evergreen climate gives you *low building, maintenance and fuel costs* and B.C. Electric delivers abundant cheap hydro-electric power.

Trend of exploration and development in Canada's mining industry is Westward and fortunes are being made today in British Columbia's mining fields.

Production of new wealth is a reality. Here you'll find new towns, stimulating payrolls, tremendous demands for machinery and equipment. Here is an industry which *spends more than half-a-billion dollars yearly for process supplies, electricity, fuel, freight, smelter charges and maintenance.*

During 1946 one company, The Consolidated Mining & Smelting Company alone spent more than $27,000,000 for supplies and services.

Demand for mineral products is on the increase at home and abroad and British Columbia, with a mineral production in 1946 of more than $70,000,000 is shooting for that market.

B.C. Electric,
Industrial Development Division,
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Vancouver, B.C.
Please send information on British Columbia to: 7FP-1
NAME..........
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Canada Leads World in Trade Revival 70,000-mile Air Journey Gives Proof

From Our Own Correspondent

VANCOUVER—Canada offers the best prospects in the world for both business and security; and in Canada, the Pacific Coast makes the best offering.

Jack Norris, Vancouver, partner in the Montreal import-export firm of Brault, Norris & Co., should know for he has just returned from a 70,000 mile trip which took him to nearly every major city in the world.

Every country, he found, was making an effort to revive trade, but from the best to the worst, he found no country with the stability of the Dominion. In his five-month trip by air he found, in brief:

England — "I am an optimist about England, but conditions are worse than during the war and will continue for some time, although eventually they will come out all right. Canada and England should be considered as one country. It would be a sacrifice on our part, but in the long run would be advantageous."

Belgium and France—France's political turmoil is disrupting recovery, Belgium is in a much better position.

Holland—The Dutch are getting down to business, living within their means and will probably make the recovery grade much more quickly than other countries.

Spain—A mad country, not actually in a chaotic state, but with a terrific black market. Franco not loved, but no alternative.

Portugal — Profited from the war; not badly off.

Switzerland—Swiss currency is most sought in Europe. Government controls expenditures and the Swiss work entirely for the Swiss.

Italy—Entire country being exploited by the black market. Business brisk in several sections, with Milan plants hives of industry, exporting goods to Scandinavia at high prices. Have to "keep in" with government to do business.

South Africa — Color problem is bad, but trade is optimistic. Citrus fruit industry, and dried fruits increasing. Gold mining seeks tax reduction or subsidies.

Egypt — First noticeable surplus of goods, many of them cheaper than in the countries in which they were made. Labor inferior, but Egyptians, with great national spirit, seek to build up industries. Lots of money and native and foreign businessmen in Cairo.

Turkey—Seems in a state of constant preparedness. More uniforms in view than anywhere else in the world.

Lebanon—One feels the Jewish businessman and manufacturer is a permanent factor, efficient and of good service to world trade. Many Jews feel that the extremists do not represent the average Jew.

Iran and Iraq—Good opportunities of trade, as they are still in the buyer's market and not overloaded with goods.

India — British and foreign firms trying to decide whether to sell out to native capital or to co-operate with it and management. Country has taken advantage of temporary possibilities of world trade. As many firms are more interested in profit than planning; about 90% of them will be eliminated in two or three years. Government protects new industries so strongly that it is cutting off vitally-needed imports in some cases. Difficulties are caused by government control of permits.

Ceylon—Same as India with possibility of a law, requiring foreign firms to have at least 50% native personnel, capital and executives.

Malaya—Great deal of rubber shipping, and business good. Political problems uncertain.

Java—Merchants, both British and Dutch worried about political troubles with Indonesians. Interior plantations uncertain, and about two thirds of world's pepper supply destroyed on vines. It will take about five years to replace this.

Hong Kong—Floods of goods, with city thriving on wealthy Chinese escaping rest of China's difficulties.

Australia—Sport seems to come first with little complaining of postwar problems. Business is actually away behind most corresponding countries.

China—About the only description is "chaos." Currency, transportation, farming, business, and political difficulties seem almost too big to describe. Many foreign firms pulling out, but some of the more substantial will stay. Coastal shipping, formerly foreign owned, now operated by Chinese, "in an unholy mess." Costs more to ship from one Chinese port to another, than around the world.

Mr. Norris thought the biggest gap in his travels was between the quiet optimism in Holland to the deepest pessimism in Java. Inflation was worst in Spain and China. Black marketing in every country, even to a certain extent in Canada, seems to be accepted, he says.

1947 Big Year for Cdn. Sumner

The year 1947 has every indication of being a banner one for Canadian Sumner Iron Works, Vancouver, an official informs The Financial Post. Manufacture and sale of machinery for the timber industries will likely continue at current high levels.

The company started the year with a large backlog of orders for pulp and paper machinery for mills in British Columbia and western Canada and for special machinery for New Zealand and British West Africa markets. Provided that there is no repetition of labor trouble and that essential raw materials of steel and electrical basic contents are delivered on schedule, Canadian Sumner should not only maintain present employment but actually increase it somewhat during the remainder of the year, it is stated.

Since war-end, emphasis has been placed on the designing of special pulp mill machinery, particularly hydraulic barkers and pulpmill chippers. Practically all British Columbia sawmills have orders of varied amounts placed with company, it is said. Orders include band mills, band resaws, edgers, fuel hogs and miscellaneous sawmill and shingle mill machinery.

The export market possibilities have not been overlooked by management. Through an aggressive advertising program in the export field, the company has obtained orders for sawmill machinery for New Zealand and, more recently, a substantial order from Lever Bros. interests in Nigeria and the Gold Coast region of British West Africa. Negotiations are also in progress for sale of machinery to South America and French West Africa.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

FRASER COS. 1946 net profit was up 11.3%, due to higher production and greater operating efficiencies. A new high in woodpulp, paper and paperboard production was established, while production of lumber products was substantially lower than the previous year. Prices on all products advanced, but these advances in the aggregate, were insufficient to offset increased cost of materials and wages, it was stated.

Site for new mill at Newcastle, New Brunswick, has been cleared and construction is expected to commence in May. Products of this mill will be bleached in a plant to be erected at Edmundston, and will supplement sulphite and groundwood fibres now being manufactured and used in other company mills, in order to permit increased production and greater diversification of production. These projects are expected to involve approximately $3 millions.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Oper. earnings	$5,735,532	$5,542,523
Less: Bond int. & exch.	259,159	271,337
Depreciation	1,392,361	1,383,694
Depletion	399,951	353,854
Income tax res.	1,720,000	1,770,000
Net profit	1,964,061	1,763,638
Less: Dividends	742,032	742,032
Surplus for year	1,222,029	1,021,606
Times Bond Int. & Exch. Earned:		
After depr. & depl.	15.22	14.02
Earnings per Share and Dividend Record:		
Com.: Earned	$5.29	$4.75
Paid	2.00	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	■1946	1945
Cash & govt. bds.	$5,094,477	$4,418,385
Accts. rec.	1,474,764	1,578,040
Inventories	4,738,278	3,865,928
Total curr. assets	11,307,519	9,862,353
Misc. assets▲	571,549	600,482
Fixed assets*	13,275,767	12,765,764
Total assets	25,154,835	23,228,609
Accts., tax., etc., pay.	4,324,641	3,327,191
Divd. pay.	185,508	185,508
Total curr. liab.	4,510,149	3,512,699
Funded debt	7,000,000	7,000,000
Cont. & invent. res.	1,554,000	1,594,000
Capital stock	3,984,459	3,984,459
Capital surplus	1,618,123	1,871,377
Surplus▲	6,488,104	5,266,074
*After reserve of	22,199,436	20,681,569
▲Incl. ref. EPT	485,000	485,000
Working capital	6,797,370	6,349,654

■Reflects bond refund, Jan. 2, 1947.

PROVINCIAL TRANSPORT CO. 1946 net profit was up 150%. A substantial reduction in income tax provisions contributed to better showing. Interurban traffic has substantially increased, mileage operated being 13,759,353, an increase of 3,213,643, and passengers carried 12,325,937, an increase of 2,124,267. Relations with connecting carriers continue to produce a very important amount of interline travel. Early in 1946, the Kingston city service franchise was renewed for 10 years. Recently the Sherbrooke City franchise was renewed for five years. Both cities have considerably enlarged their residential areas in recent years, and are active industrially.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$1,564,131	$1,511,759
Less: Deprec.	567,056	398,896
Inc. tax res.▲	527,200	925,100
Net profit	469,875	187,763
Less: Dividends	150,000	100,000
Surplus for year	319,875	87,763
▲Incl. ref. EPT	......	159,741
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.34	$0.75
Incl. ref. EPT	1.34	1.39
Paid	0.50	0.40

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash, govt. secs., etc.	$1,828,285	1,315,758
Accts. rec.	119,850	87,462
Inventories	229,200	188,077
Total curr. assets	2,177,335	1,591,297
Misc. assets▲	536,181	325,339
Fixed assets*	2,505,996	1,791,613
Franchises	491,448	491,448
Total assets	5,710,960	4,399,697
Total curr. liab.	1,152,770	1,281,178
Mtge. pay.	105,000	216,250
Reserves	542,675	542,675
Capital stock	2,525,482	1,325,482
Surplus▲	1,385,033	1,034,117
*After depr. of	2,998,185	2,535,522
▲Incl. ref. EPT	485,925	482,832
Working capital	1,024,565	310,124

GAIR CO. OF CANADA 1946 net profit was up 146%, according to prospectus covering a new preferred stock issue. This sharp increase was recorded despite an 83% rise in income tax provisions. On April 1 the company will redeem the presently outstanding $857,600 6% first and general mortgage sinking fund bonds. Proceeds from issue of $1.5 million 4% cumulative preferred shares, par value $100 will be used in redemption of bonds. At conclusion of new financing, cash on hand and in banks will be increased to $841,083; aggregate par value of stock will be increased to $2,700,000 and earned surplus would be reduced to $2,308,108.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$1,555,218	$914,583
Less: Deprec.	243,069	223,784
Bond interest	51,966	53,721
Int. on notes, etc.	19,339	22,096
Subsid. min. int.	20,312	30,029
Income tax res.▲	641,740	350,611
Net profit*	578,342	234,242
Less: Dividends	230,750	161,525
Surplus for year	347,592	72,817
▲Incl. refund. EPT	......	35,239

*Note—Co's. report includes ref. EPT in net profit and surplus for year.

Times All Interest Earned:		
Before deprec.	21.85	12.06
After deprec.	18.26	8.96

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	■1946	1945
Cash & mkt. secs.	$686,430	$582,070
Accts. rec.	1,118,445	921,374
Inventories	1,170,805	1,022,517
Total curr. assets	2,988,680	2,526,961
Life ins., c.s.v.	2,880	2,700
Misc. assets▲	176,814	183,917
Inv. in affil. co.	73,800	73,800
Fixed assets*	2,488,368	2,468,092
Total assets	5,729,542	5,260,470
Total curr. liab.	1,104,680	777,968
Notes pay., Gair Co.	......	400,000
Funded debt	796,600	859,600
Min. int. in subs.	235,326	240,810
Capital stock	1,200,000	923,000
Capital surplus	9,458	9,075
Earned surplus▲	2,383,108	2,050,017
*After depr. of	2,360,428	2,131,238
▲Incl. refund. EPT	124,410	131,283
Working capital	1,882,630	1,748,993

■Does not reflect bond redemption and capital stock changes pending.

HYDRO - ELECTRIC POWER COMMISSION OF ONTARIO primary power loads showed an increase of 7.1% or 171,000 h.p. for January, 1947, over January, 1946. Combined primary and secondary loads were 4.3% or 110,000 h.p. greater than those for the same period last year.

The following figures represented loads actually carried. However, it is pointed out that although able to meet all its commitments for delivery of power under its firm interests, the Commission was not able to meet all the power demands of larger industrial power users who purchased power on an interruptible basis. Substantial reductions in delivery of power to this class of customer were necessary. A comparison of actual power demands in southern Ontario would show a much greater increase than indicated by these figures.

Max. 20-min. Peak H.P.	Jan./47	Jan./46	% incr.
Primary Loads:			
South. Ont.	2,218,807	2,079,737	+6.7
Thunder Bay	136,193	133,378	+2.1
Nor. Ont.	236,840	207,321	+14.0
Total	2,591,340	2,420,436	+7.1
Primary & Secondary Loads:			
South. Ont.	2,219,243	2,127,492	+4.3
Thunder Bay	151,072	139,410	+8.4
Nor. Ont.	294,262	287,999	+2.2
Total	2,664,577	2,554,901	+4.3

Industrial Development Fund Boon to Industry

From Our Own Correspondent

VICTORIA — British Columbia's $5 millions industrial development fund, set up in the early '20's, has an enviable record behind it of launching or aiding some of the most profitable industries in the province.

B. C. in Facts and Figures

Statistics of value in a market analysis of British Columbia are presented here by The Financial Post:

BUILDING AND CONSTRUCTION

	1946	1945
Building permits	$42,717,252	$24,661,825
Construction contracts	58,709,200	38,033,900

Principal statistics of construction industry:

	Employees No.	Salaries & Wages $000	Total Value $000
1945	14,717	25,399	53,415
1944	8,279	14,843	31,903
1943	17,234	36,543	78,251
1942	11,415	18,165	46,170
1941	10,792	14,935	48,352
1940	11,049	14,334	34,765
1939	10,751	12,356	26,986
1938	11,705	12,580	38,177

ELECTRIC POWER

	1946	1945
Turbine installations, h.p.	878,743	864,024
Electric energy:		
Generated (thousands of kw.h.)	2,843,312	2,810,975
Consumer (thousands of kw.h.)	2,820,118	2,788,577
Electric meters:		
Domestic	171,854	155,118
Commercial	30,783	27,698
Power	6,490	6,102

LIFE INSURANCE

		1945	1944	1943
New business issued	$000	65,945	61,955	62,624
Policies in force	$000	656,551	617,530	577,172
Premium income	$000	18,087	18,401	16,932

MANUFACTURING

Record for 1944	Plants	Employees	Salaries & Wages ($000)	Gross Value ($000)
Shipbuilding, repairs	22	24,615	51,827	124,175
Sawmills	498	15,274	27,111	98,382
Fish curing, packing	72	3,568	5,143	33,059
Pulp and paper	7	3,901	8,411	32,727
Slaughtering, packing	11	1,205	2,135	24,587
Petroleum products	6	416	896	17,278
Fruit and veg. preparations	62	3,140	2,570	16,281
Machinery	26	2,270	4,571	13,987
Butter and cheese	36	1,084	1,825	13,168
Bread, bakery products	252	2,336	3,280	11,670
All industries, 1944	2,116	96,062	178,639	655,845
All industries, 1943	1,961	102,221	185,712	652,046

MINING

Gross value of mineral production:

	$000		$000		$000
1946	73,546	1945	64,064	1944	57,246

Chief products, 1945:

	Quantity (000 omitted)	Value $000
Gold, fine oz.	188	7,253
Lead, lb.	335,755	16,732
Zinc, lb.	291,561	18,538
Copper, lb.	25,799	3,238
Coal, ton	1,711	7,255
Silver, fine oz.	5,596	2,566
Sulphur, ton	127	1,263
Sand and gravel, ton	4,132	1,171

PRODUCTION SURVEY, 1943

	Net Value $000	% Grand Total
Agriculture	52,174	9.3
Forestry	98,042	17.4
Fisheries	25,465	4.5
Trapping	1,576	0.3
Mining	54,106	9.6
Electric power	17,806	3.1
Construction	43,274	7.7
Custom and repair	12,486	2.2
Manufactures	341,699	60.6
Total	646,628	...
Duplication	82,677	14.7
GRAND TOTAL	563,951	100.0

RETAIL TRADE, 1941

	1941	1930
Stores, total No.	10,658	9,501
Total sales ($000)	295,133	246,598
% Dominion sales	9.02	....
Per capita sales, $	361	....

RADIOS

Number of radio licenses:

1946	165,281	1945	162,665	1944	157,060

AUTOMOBILES

	1945	1944	1943
Registered. No.*	134,788	135,090	133,366
Passenger	99,421	99,063	98,920
Truck and buses	32,861	32,893	31,146

*Includes motorcycles, trailers, etc.

BANKING

	1946	1945
Number of bank branches	208	182
Bank debits, $000	...	4,416,364

Coast Province Would Sustain Timber Yields

From Our Own Correspondent

VANCOUVER—A bill planned to place British Columbia forests on a sustained yield basis has been introduced in the Legislature by E. T. Kenny, Minister of Lands (The Financial Post, Jan. 25).

The measure aims to perpetuate logging and lumber, the major industry in the province. Although it would not be compulsory, forest officials believe it would affect at least 50% of the timber cut on government lands. Among the features are:

1. Operators seeking to log Crown lands can be asked to take over a block of timber under a forest management license.

2. Periodic cut will be restricted, so when the operator completes cutting, there will be sufficient growth to continue logging.

3. A deposit will be required from each holder of the license to ensure compliance with the plan.

4. Rentals will be reduced from 21 cents an acre west of the Cascades, and 15 cents east, to one cent an acre.

5. A qualified forester must be employed by all major operators. The department will provide foresters at a cost to smaller operators, or a group of small operators may pay for the employment of a forester.

6. Operators who satisfy the Government that they can take care of forest protection needs will be exempted from the annual protection tax of six cents an acre.

Mr. Kenney stated that this measure will probably be the most important legislation before the House this session. It follows the pattern laid down by Chief Justice Sloan in his Royal Commission Report (The Financial Post, Jan. 19, 1946).

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Plan to Pay $2,680,000 To B.C. Municipalities

As the result of the $8,342,190 treasury bills owing to the Dominion for direct relief being cancelled, a bill will be presented to the British Columbia Legislature to make provision for payment of $2,680,000 to the municipalities on the understanding that it is used for certain specific purposes. This is revealed in Hon. Herbert Anscomb's budget speech.

When announcing his success in arranging for a reduction in the debt to the Dominion, Premier John Hart said he would be glad to consider, with the Cabinet, the problem of making a corresponding reduction to the municipalities where it was shown that the debts applied to direct relief. As a result the province asked H. Carl Goldenberg, who has just reported on municipal problems, to investigate and make recommendations regarding this matter. His principles may govern what happens in other provinces.

Mr. Goldenberg reported as follows:

1. Any adjustments must be related to total municipal relief expenditures, no matter whether financed by borrowing or otherwise, in order to be fair to all municipalities.

2. Adjustments should be related to the terms governing the cancellation of provincial treasury bills by the Dominion. As borrowing for relief extended from Nov. 1, 1930, to March 31, 1940, benefits should be related to municipal relief expenditures during the same period.

3. As treasury bills apply to direct relief only, cost of works projects and other nonshareable charges should be excluded from municipal relief expenditures for the purpose of the proposed adjustment.

4. Only expenditures within the provincial scale of relief costs be considered for the purposes of the adjustment.

5. The Department of Finance states the provincial share of the cost of direct relief, as defined, in the period between Nov. 1, 1930, and March 31, 1940, was approximately $25,753,000 and the cost to municipalities was approximately $8,280,000. Thus the treasury bills cancelled are equal to about 24.5% total direct relief expenditure of the province and municipalities or 32.4% of the provincial direct relief expenditures alone, excluding the municipal share.

6. Since provincial borrowing from the Dominion was used to finance both the provincial and part of the municipal share of the costs, it would appear that the adjustments between the province and the municipality should take the form of a payment by the province of 24.5% of the municipal share of $8,280,000, that is $2,028,000.

7. Having regard to all circumstances consideration should be given to relating the amount cancelled by the Dominion to provincial direct relief expenditures alone. On this basis, the payment to municipalities would be increased to $2,680,000 (approximately 32.4% of municipal direct relief expenditure). "I am of the opinion that this payment would constitute a fair and reasonable adjustment between the provinces and the municipalities."

8. Payment to municipalities be distributed in proportion to total cost to each municipality of its share of direct relief on the provincial scale.

9. Sums paid to each municipality should be applied:

(a) To reduce any outstanding relief loans secured only by a treasury note, without any specific agreement as regards payment.

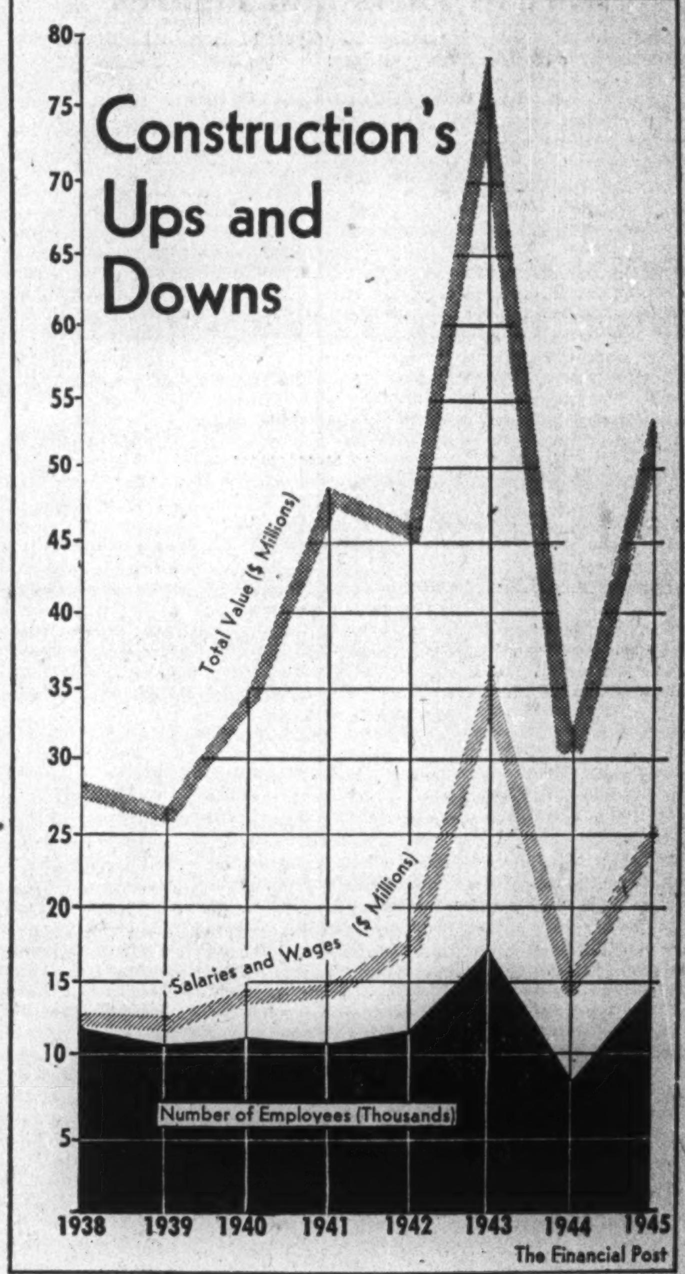
(b) To set up debt retirement funds for the redemption of unemployment relief debt which has been funded.

(c) To reduce sinking fund shortages.

(d) For capital purposes.

The British Columbia Government proposes to accept the recommendations and pay municipalities $2,680,000. Mr. Anscomb points out, however, that Mr. Goldenberg made his recommendations subject to the above four uses.

MASSEY HARRIS CO. has converted an additional 4,825 preferred shares into common on the 1½ common for one preferred share basis. Issued capital is 280,013 preferred shares and 1,125,885 common.



The construction industry is driving all out in British Columbia this year and that means more jobs and bigger payrolls. How much more is suggested in chart above, which shows how number of employees and their total pay has jumped whenever building spurted over the past eight years.

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COMPANY REPORTS

ACME GLOVE WORKS 1946 net profit was more than treble that of 1945 despite a consistent rise in costs in almost every phase of the company's operations. Management considers it fortunate that in the closing months of the year it was possible to build up inventories at values more advantageous than prevailing market levels.

Directors view the current year hopefully. There is a slightly larger carry-over of orders on the books, and a continuing active demand for company's products is anticipated.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$435,280	$230,933
Less: Depreciation	14,214	13,830
Taxes reserve♦	150 123	147,517
Net profit	270,843	69,586
Less: Pref. divds.	34,892	44,714
Pref. s. f.	20,459	......
Surplus for year	215,492	24,872
♦Inc. refund. EPT	......	20,930
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$8.33	†$10.12
Incl. ref. EPT	8.33	†13.16
Paid (old)	*2.71	6.50
Paid (new)	0.50	....
Com.: Excl. ref. EPT	4.49	‡1.04
Incl. ref. EPT	4.49	‡1.91
None paid.		

*Paid on redempt. †Old stock red. June 1, 1946. ‡Before 2 for 1 split on May 31, 1946.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$194,876	$259,772
Accts. rec.	381,774	288,708
Inventories	698,581	633,074
Total curr. assets	1,275,231	1,181,554
Misc. assets▲	123,338	103,223
Fixed assets*	227,120	232,780
Patent rights	2,118	2,259
Total assets	1,627,807	1,519,816
Total curr. liab.	174,528	124,984
Capital stock	1,141,570	1,179,470
Capital surplus	9,354	......
Earned surplus▲	302,355	215,362
*After deprec. of	401,409	390,736
▲Incl. refund. EPT	86,863	87,535
Working capital	1,100,703	1,056,570

IMPERIAL TOBACCO CO. OF CANADA 1946 net profit was up 8.3%. A substantial decrease in income tax provisions more than offset a decline in operating profit. Sales volume was the highest on record. The 1946 crop of Canadian leaf tobacco was the largest ever harvested, totalling 134,667,000 lb., of an estimated cash value of $47,730,000, a 56% increase over 1945. The flue-cured crop showed the biggest increase and 113,822,000 lb. were produced.

The new leaf processing plant at Aylmer, Quebec, opened on Oct. 2, 1946, and is in full operation. A cigar processing plant at Joliette, Quebec, is expected to be in operation by early summer. Also an addition to one of the company's factory buildings at Granby, Que., was undertaken. It will be necessary soon to expand manufacturing facilities even further.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Oper. profit	$8,755,072	$9,160,521
Add: Invest. inc.	1,818,299	1,931,721
Less: Deprec.	480,211	189,793
Bond int.	395,164	235,000
Bond disc.	20,383	....
Income tax♦	3,411,906	4,785,287
Net profit	6,265,767	5,782,162
Less: Pref. divs.	481,800	481,800
Ordinary divs.	3,780,412	3,780,412
Surplus for year▲	2,003,495	1,519,950
♦Incl. refund. EPT	....	385,587

▲Subject to final dividends paid in following year.

Times Bond Interest Earned:		
Before deprec.	26.76	33.11
After deprec.	25.54	32.54
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$3.80	$3.50
Incl. ref. EPT	3.80	3.74
Paid	0.292	0.292
Ord.: Excl. ref. EPT	0.61	0.56
Incl. ref. EPT	0.61	0.60
Paid‡	0.55	0.55

‡Includes final dividend of 15c. applicable to prior year.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$8,110,782	$6,197,261
Accts. rec.	498,753	656,207
Inventories	22,653,041	21,549,910
Total curr. assets	31,262,576	28,403,378
Invest. in subs.	29,307,244	28,001,565
Misc. assets▲	1,323,312	1,161,552
Fixed assets	6,426,000	6,413,820
Goodwill, etc.	28,816,801	28,816,801
Total assets	97,135,933	92,797,116
Accts., tax., etc., pay.	8,520,577	10,006,288
Accr. pref. divds.	120,450	120,450
Total curr. liab.	8,641,027	10,126,738
Empl. benev. fund	1,368,146	1,368,146
Funded debt	15,000,000	10,000,000
Deprec. res.	6,348,881	6,079,811
General res.	5,000,000	5,000,000
Capital stock	55,285,160	55,285,160
Surplus▲	5,492,719	4,937,261
▲Incl. refund. EPT	1,031,734	1,034,211
Working capital	22,621,549	18,276,640

CITY OF NEW WESTMINSTER, B.C., announces a new serial debenture issue of $500,000 for added hospital facilities. Tenders will be called on or about Mar. 15, 1947, to be in the hands of the City Treasurer by Mar. 31, 1947. Loan will consist of 2½%, 2¾% and 3% debentures due from 1948 to 1965.

Omineca Range Said Scene of New Gold Find

From Our Own Correspondent

VICTORIA — Officials of the Provincial Mines Department state that little is known of reported gold strikes in the Goldway Park-Johanson Creek areas of the Omineca Mountains, about 200 miles northwest of Fort St. James.

Attention was attracted to the area by the report of the Dominion Geological Survey of the McConnell Creek area last year, which said that a belt some 20 miles long and two miles wide was well worth prospecting for gold.

Officials say that one block of 22 claims, another of 23, one of 36, one of four and one of 28 claims have been staked near Goldway Park and north of Johanson Creek a large block of claims have been registered.

"We have had no reports on the area so far," said Dr. John F. Walker, Deputy Minister of Mines. "Reports that Bert Goodrich, well-known prospector from the Kootenays, had struck high-grade ore, are extremely interesting. Samples have been sent to our assay office here, but, of course, the reports are available only to the prospectors who sent them in and we can not divulge how high they went.

WEKUSKO CONSOLIDATED has sold 500,000 shares at 30 cents a share to God's Lake Gold Mines and has granted an option on 750,000 shares at 30 cents.

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Business is BOOMING in VICTORIA

POPULATION

In 1946 the population of Greater Victoria climbed over the 100,000 mark — an increase of over 12,500 in the past two years, and Vancouver Island, including Victoria, has increased 25,338 in the same period, bringing the total for the Island to 177,766.

CONSTRUCTION

Greater Victoria home building in 1946 smashed all records of previous years. A total of 3,223 permits were issued in the four Municipalities which make up Greater Victoria, with a total value of $9,418,623.00.

NEW COMPANIES

Indicative of the tremendous business expansion taking place in the Capital City at the present time, there were 160 new companies incorporated in Victoria and Vancouver Island during 1946, with total capitalization of $9,167,000.00.

SHIPBUILDING

On December 1st, Victoria's two large shipyards, Yarrow's and V.M.D., had over $10,000,000.00 worth of shipbuilding contracts in hand, sufficient to insure full employment to those engaged in the industry for the next two years.

The Colonist is Vancouver Island's Leading Newspaper

The Victoria Daily Colonist is truly **Victoria's Family Newspaper.** 75% of The Daily Colonist circulation is delivered by its own carrier boys to the homes, 15% by mail, and the balance, 10% by newsdealers and street sales.

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CIRCULATION

Dec. 31st, 1946, for the 3-month period, Oct. 1st to Dec. 31st, daily, Tuesday to Saturday inclusive 21,406

Sunday 25,150

The Daily Colonist

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WRITE FOR CATALOGUES AND INFORMATION

Biggest Budget Before B.C. House
Drew to Tell Ontario's Tax Stand

While the British Columbia House studied the highest budget in its history (estimated revenues $50 millions, expenditures $58,781,334) two more provincial Legislatures opened this week, bringing Dominion-provincial relations issues into sharper focus. Premier J. B. McNair was to recommend acceptance by New Brunswick of Ontario's latest tax offer; but Premier George Drew's plans in Ontario were still a secret. Informed sources discounted a prediction that he might offer to enter a one-year agreement, as Premier Duplessis of Quebec had already done.

British Columbia

New Liquor Storms

New liquor problems stirred this week, as all brands except rye and Scotch came off the rationed list. With cocktail bars pending in Vancouver and Victoria, CCF members and many others prepared to demand the same facilities in smaller centres. Provincial Council of Women, on the other hand, denouncing liquor as a factor in juvenile delinquency, demanded a thorough survey by a Royal Commission, before any additional liquor outlets were established.

Revive Nuisance Cards: Compulsory voting threatened to revive a wartime nuisance, the individual registration card, in the Pacific Coast province. All adults would be required to carry cards, classifying them as voters or non-voters; to notify authorities of any change of address. (Saskatchewan's CCF Premier, T. C. Douglas, frowned on compulsory voting: "Very difficult to compel people to assume the privileges and responsibilities of citizenship; that should come from pride of belonging to a democratic community").

End Fishery Controls?: Organized commercial fisheries of the province called for removal of price ceilings and controls on fish and fish products not later than March 31 "to make possible, proper and economic negotiations and agreements between the industry, and fishermen and the employees"; also asked abolition of tariffs on all implements used in fisheries; and removal of the export embargo, not later than June 1, on fish meals, fish oils and vitamin oils.

New Motor Traffic Peak: The province, accessible to visitors all year round, chalked up a new high in motor tourist traffic in 1946, enjoyed the third largest slice of the Dominion's estimated $212 million tourist trade. Cars entering Canada at B. C. points totalled 178,595 (903,096 for Ontario, 277,641 for Quebec), up 71,089 from 1945, and 30,810 from the previous high in 1930.

• • •

Alberta

In Social Credit Doghouse

The party whip of Social Credit cracked, and whirled Arthur Wray, Banff-Cochrane, into a seat on the Opposition side of the House. Wray, barred from party caucuses since last autumn, said he refused "to be a rubber stamp for Cabinet dictatorship, usurping powers of the elected representatives . . . raising an absurd and dangerous situation." Social Credit members, in caucus, repudiated "such false and misleading statements."

Appeal Social Service Levy?: Cities of the province were reportedly studying possibilities of a joint appeal to the Public Utilities Commission, against increases in provincial social service taxes. Lethbridge reported a 54% assessment increase since 1938, from $3.5 millions to $5.4 millions; Medicine Hat nearly 36%; Edmonton 33%, Calgary 25.8%.

Younger, Older Jurors: The province moved to make more citizens eligible for jury duty, lowering the minimum age from 25 to 21 years, and extending the present maximum of 60 (although making service over that age optional).

Industries Multiplying: At least 50 new industries were definitely coming up in the province, Trade and Industry Minister Clarence Edgar Gerhart announced; stressing the pace of industrial progress, stated Alberta had received $742,000 of a Dominion total of $9 millions of recent federal loans to small industries.

• • •

Saskatchewan

Corman for Showdown

Now it was Attorney-General J. W. Corman's turn to add fuel to the election rumor flame. Corman, in a radio address, "wondered how much adverse criticism a government has to take. . . . I think the time has come, if it is not overdue, when the people should have a chance to back up or repudiate the mass of destructive criticism directed at the Government."

Hospitalization Cost Up: The province's hospitalization system would probably cost $6 millions this year, $1 million more than originally estimated, Premier Douglas disclosed. That would probably mean (1) diversion of the former federal gasoline tax of three cents a gallon, to hospitalization, or (2) an increase in the per capita levy, now $5 yearly. Graduated fees were already being studied for next year, aimed at easing the cost to large families (present maximum $30 yearly), and possibly increasing it to single persons.

Education by Air: Planning education by airwave, the province was distributing combination radio and record players to schools on the same basis as textbooks; net cost per set $55, with 300 already on order; specifically designed for reception of school broadcast, and for development of a program of modern music in schools.

Tolerate Private Capital: The CCF was hastening slowly in its socialization of natural resources, Hon. J. L. Phelps admitted; said it was not yet practicable for the Government to operate in some development fields, and in these instances, private enterprise would be temporarily tolerated "provided it makes adequate contribution to the provincial economy, through payment of royalties, or some other form of return."

• • •

Manitoba

Provincial Labor Board

Establishment of a Provincial Labor Board, with jurisdiction over industrial relations, vacations with pay, and other related issues, was forecast in the speech from the throne, as were: Higher minimum wages in all industries; a standard 44-hour maximum work week for women; a general school levy by all municipalities, of six mills on their balanced assessment, in a move to equalize education costs. Upward revision of civil service salaries was also anticipated, based on a survey made at government request by the Civil Service Assembly of the United States and Canada.

Can Spend More: The province increased its expenditures last year to the safety limit ($407,068), Premier (and Provincial Treasurer) Garson told the House. Without a tax agreement with the Dominion, "it would have been neither honest nor prudent for us to go above that level." Such an agreement now before the House for ratification, would permit higher expenditures for provincial services.

Ask Slice of Taxes: Winnipeg Board of Trade and Trades and Labor Council agreed in asking a municipal slice of liquor, amusement and gasoline tax revenues; but the Board of Trade frowned on other labor proposals, including (a) abolition of present one third tax exemption on commercial and industrial property; (b) taxation of churches, hospital schools and government property; (c) taking over of full education costs by the Federal Government.

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Ontario

Secession Stirs Again

Secession once more raised its perennial head at the head of the lakes. Fort William Liberals, charging neglect of northwestern Ontario, called for a 10th Canadian province, to embrace present constituencies of Fort William, Port Arthur, Kenora, Rainy River, and "all other contiguous sections, desiring of breaking away from the existing Province of Ontario." Other northern sources advanced a counter-proposal, to include all northern Ontario from Manitoba to the Quebec border, and extending southward to North Bay, thereby taking in a more heavily populated area.

No Oratory Ceiling: Talk was to continue cheap to the member, but expensive to the taxpayer, in the legislature. A special committee studying rules and procedure, reportedly agreed there should be no time limit on House speeches (Ottawa has a 40-minute ceiling on oratory, with some exemptions). Another committee sought means of effecting a tax-exempt increase in members' $2,000 indemnities.

Crowds Boost Divorce?: Health Minister Russell T. Kelley urged decentralization of industry, but denied having accused Toronto (as he was quoted) of attempting to "hog industry." Toronto's acting mayor, Controller H. E. McCallum, accused Hamiltonian Kelley of "playing small-time politics," "trying to build up his own fences"; called on Premier Drew to curb "such wild and ill-considered statements." "People in Toronto and Hamilton are crazy, trying to get additional people into their congested cities," Kelley insisted, voicing belief that nerve strain caused by living in crowded centres, boosted the divorce rate.

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Quebec

Election on Horizon?

Premier Maurice Duplessis' bill (with strings attached) for a tax agreement with Ottawa, looked, to many observers, like ammunition for an election campaign, on the issue of provincial rights. Some predicted Duplessis and Liberal ex-Premier Adelard Godbout would enter the ring for their fourth round in June. Duplessis had won two rounds, 1936 and 1944; had been kayoed in 1939. His present bill had already forestalled a Liberal motion of censure on the subject of relations with Ottawa; Mr. Speaker Tache ruled such a motion out of order, and was upheld by the House, 50-33, in the first division of the session.

Outlaw Communists?: Federal action to outlaw the Labor-Progressive Party, "in reality the Communist Party, under another name" was asked by Andre Laurendeau, provincial leader of the Bloc Populaire. Simultaneously, the province heard reports of a nondenominational "holy front," being organized to defeat Michael Buhay, Communist candidate in the Cartier by-election March 31 (due to expulsion from the House of Commons of Fred Rose, espionage-convicted Communist). Aim of the "holy front" would be a two-man contest, in order to concentrate the anti-Communist vote. Present prospects were that four candidates might enter the field.

No Municipal Income Tax: Seeing "no reason for three income tax systems," Premier Duplessis thumbs-downed a Montreal plea for power to impose such a municipal levy. At the same time he was cryptic as to the province's intentions in the income field; promised: "the matter will be clarified at the proper time."

Sounds Arctic Alert: Russia is ahead of Canada in scientific exploration of Arctic and sub-arctic territories, Director A. L. Washburn of the Arctic Institute of North America warned in Montreal; insisted the Dominion needs 26 outposts to ensure adequate weather reporting and other scientific work, in place of the present six: "Many Soviet research stations are not only weather outposts, but also general laboratories, engaged in geophysics, biology and geology studies."

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New Brunswick

Ask Education Relief

Cities of Fredericton, Saint John and Moncton called on the province to assume half of all education costs. Under the existing setup, the Government defrays approximately 7% of urban school costs; slightly more in the case of town schools; 40% in the case of rural schools.

Forest Yield High: Forest and mine products reached a record $90 millions last year, Lands and Mines Minister R. J. Gill reported: forest products $83 millions; minerals $4 millions; a valuation of $3 millions placed on fur taken by trapping, food value of game and fish, and expenditures by non-resident hunters and anglers. Pulp and paper mills operating at about 95% of their total capacity, produced materials which made up $43 millions of the $83 million forest product valuation. Territorial revenue, $1,711,353.11, was the largest on record.

"Prexy" First Air Student: Dr. Milton F. Gregg, V.C., president of University of New Brunswick, was the first student to take flying instruction as the university flying club began operation. Instructors are former RCAF pilots, now attending the university.

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Nova Scotia

Buy Dozen Park Ships

Acadia Overseas Freighters Ltd., of Halifax, announced purchase of 12 of the 153 vessels of the former Crown-owned Park Steamship fleet; 10,000-ton dry cargo type craft, to be named after Nova Scotia counties (sale of the Park fleet has grossed $70,410,392).

"Surprised, Dismayed": Halifax shipping officials were "surprised and dismayed" at the recent order by Charlottetown Export and Control Board that all of the three million bushels of potatoes for Britain would be shipped through Saint John. Previously it had been indicated that at least part of the shipment would move through Halifax.

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Prince Edward Island

Speed Spuds to U. K.

All shipments of table stock potatoes to Canadian and U. S. markets must be halted in order to ensure filling of the United Kingdom's order for three million bushels, Chairman J. W. Boulter of the Island's Potato Export Board, stressed. Eighty-eight carloads were being loaded aboard the S.S. Trewellard at Saint John this week, with holds of four more ships to be filled this month. Growers were receiving $1.15 per 100 pounds, or 69 cents a bushel.

Respite for Fox Ranchers: Fox breeders hailed as a virtual lifesaver for their industry, Ottawa's recent guarantee of a minimum price for pelts, ranging up to $62.50 for top grades. With pelt prices at almost an all-time low, many had been planning to quit the industry; now the federal step would at least cut their losses, pending an anticipated market recovery.

A revival of beaver ranching was also foreshadowed, in the reorganization of the Mount Albion Fur Co. which had a sizeable beaver ranch about 30 years ago. Lack of food and the prohibitive cost of fencing the ranch, proved obstacles. The reorganized company expected to use as a nucleus, some of the beaver families still on the property.

Provide Cold Storage: To provide urgently-needed cold storage premises for fox meat, the Government announced purchase of the building and railroad siding of the Island Seed Association, capable of handling 10 carloads, shipped frozen. Destruction by fire of a Charlottetown plant last autumn had created an acute space problem.

M. J. FOLEY

of Montreal has been appointed Canadian representative of United Air Lines.

Doubt Calgary to Hike Land Price to Builder

From Our Own Correspondent

CALGARY — The city corporation may continue selling city-owned land at half the assessed value, provided buyers build within a year. That much is widely assumed here following an apparently ill-fated move by council's city lands committee to charge full assessment prices.

Immediate objections were raised by companies and individuals negotiating for such land, or about to do so. Engineering Buildings Ltd., Calgary, which recently has installed 125 prefab houses here, said its plan for 150 more would be jeopardized. Doubling of lot costs would create serious difficulties. Negotiations are going forward to buy sites for $8,000 to $10,000 houses in a good district, with preference to vets and low-cost land to help keep down payments low.

BEVCOURT GOLD MINES has received payment from Nipissing Mining Co., God's Lake Gold Mines, International Mining Corp. (Canada) and Osmond F. Howe each for 6,250 shares at $1 a share. Issued capital—2,425,000 shares.

Calgary Tram System Has New Revenue Peak

From Our Own Correspondent

CALGARY — Calgary's municipally-owned street railway system carried 27,015,356 paying customers last year—as many as though each of the city's 100,000 residents had taken 270 rides during the year. Gross revenue was $1,639,564, highest in the system's history.

The street railway began operations in 1909. In its first full year of operation, in 1910, it carried 4,899,002 passengers and made a profit of $29,324. During its years of operation it reported surpluses 21 years and deficits 17 years. It is badly run down today, and its 80-odd miles of track will soon be mostly paved over, as equipment to install a trolley bus service arrives.

Employment Service Finds Students Jobs

From Our Own Correspondent

CALGARY—The path to obtaining summer jobs has been made easier for western Canada university students this year. Lists of students wanting jobs have been compiled by the executive and professional division of the national employment service, Winnipeg, which hopes to act as intermediary between prospective employers and students. More than 2,000 University of Alberta students have registered.

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British Face Gloomy Prospect

White Paper Lists Problems And Suggests Spartan Cures

Regarded as one of the frankest documents ever issued by a British Government, the White Paper presented to the House of Commons during the last week of February paints the future in sombre colors. The "Economic Survey for 1947" points up Britain's desperate need for increased foreign trade, increased productivity from her labor force and possibly further financial assistance. Because what happens to Britain may easily determine the economic fate of the whole world, The Post publishes in these columns an extensive summary of the White Paper.

At the end of the war 42% of the nation's manpower was in the armed forces or working for them. The nation's main task was to transfer the greater part of this high force to peacetime industry. By the end of 1946, 4.25 million men and women had been demobilized and the numbers of those supplying the Armed Forces were reduced by over three million. Thus the manpower allocated to defense was cut to one fifth of its size at the end of the war. This was done with very little dislocation and unemployment in the country as a whole during the whole period was never more than 400,000.

Distribution of manpower between the industries was somewhat different from that before the war. The building and manufacturing industries employed rather more than before the war and the textile and clothing industries had lost numbers of workers to metals and engineering. There were fewer miners, but more people working on the farms in public utilities and transport. There was a reduction in distribution and consumer services and a substantial increase in defense and public services.

Actual production at the end of 1946 is very roughly summarized as follows: production in coal was about 5% higher than in the same period in 1945; gas and electricity were up about 15%. The comparison with 1938 was very different—coal production was down 18%, gas production up 30%, electricity production up almost 70%. The railways carried one quarter more ton miles of freight than in 1938. Steel production was as high as in the previous peak years and steel consumption higher than ever before in peace. More people were employed in shipbuilding than before the war: the output of commercial vessels had increased by 50% above the pre-war level and the output of farm tractors was more than double the pre-war figure. Fewer building materials were produced than before the war although output was rising rapidly. New permanent houses were being built at the rate of 8,000 a month. Two hundred thousand were under construction at the end of the year. The production of cotton yarn was increasing, but was still 40% below the pre-war level. The wool industry was using raw material at a rate of nearly 20% below the pre-war level. Very bad harvest conditions hit the farms, but Britain produced 50% more cereals than before the war, twice as many potatoes, 28% more sugar beet, 20% more milk and more fish. By the end of 1946 the rate of national output was probably not significantly below the pre-war level over economy as a whole.

Imports and Exports

During the war, Britain lost gold and foreign investments and incurred a new debt worsening her capital position by nearly £8,000 millions cut her exports and lost much of her merchant fleet. She depends on imports for at least half her food and for most basic materials for industry. Her income from exports at the end of the war was enough to pay for only a quarter of the pre-war rate of imports. It was therefore of first importance to build up exports as rapidly as possible.

During the third quarter of 1945 the volume of Britain's exports was 46% of the 1938 figure. By the first quarter of 1946 it had risen to 84%, and by the last quarter to 111%. Meanwhile imports had risen over the same period from just under 62% to 72% of the 1938 volume.

In spite of this our 1946 deficit is roughly estimated at £450 millions, covered mainly by the drawings of $600 millions on the United States and of $45 millions on the Canadian credit. This was very much smaller than the $750 millions deficit that had been expected. The reduction was partly because world shortages prevented us from getting all the food and raw materials we wished to buy but also because of the success of the export drive.

Capital Equipment

During the war much damage was done to houses, buildings and equipment from the air and more still by over-use, with insufficient maintenance and repair. The restoration of this capital equipment was a first need.

In June 1945 there were 520,000 men in the building and civil engineering industries, not much more than half the pre-war figure. By the end of 1946 the numbers had risen to 943,000, but during the whole period about half the building force had to be used to repair war damage and for the maintenance of houses. By the end of the year homes had been provided for 300,000 families and £100 million worth of building work had been done for industry, agriculture and public utilities and the way had been cleared for as fast an expansion of house building as material and supplies will permit.

Since the engineering industries were well manned and well equipped at the end of the war, they got ahead quickly with supplying the country with plant, machinery and vehicles. By the end of the year the numbers so employed were well above the normal pre-war figures.

In general it was probably true that while as much work on capital equipment and maintenance was done as in a pre-war year, far more than this was necessary to make up the arrears after six years of war.

The public's needs for goods and services was hardly less urgent. There was a considerable increase in supplies but improvement was limited by the world shortage of food and the slow recovery of the labor force in the consumer goods industries, especially textiles and clothing.

There was more purchasing power in the people's pockets than ever before and it was more evenly distributed. Full employment, the introduction of minimum standards of living, supported by subsidies and family allowances, which together cost £450,000,000 in 1946, higher rates of national insurance benefits and old age pensions, and the redistribution of incomes through taxation, all contributed to this. For a large section of the people, the present food and clothing rations are more than they could normally afford and much more than they could afford in the years of depression.

Eighteen Months' Results

In certain respects, the general balance has not been satisfactory. A beginning has been made with each of the major objectives of reconstruction. By the end of the year, the changeover to civil production was well on way to completion. Aided by a favorable record of industrial peace, a high level of industrial activity had been achieved. The expansion of production and consumption throughout 1946 put a heavy strain in particular upon coal and power supplies but also upon steel, transport and other basic industries and services. The by no means unfavorable industrial results for 1946 were achieved only by a draft of 5 million tons on coal stocks. In a sense, indeed, we have been living on a coal overdraft. The demand for power likewise exceeded the capacity of the power stations; the demand for transport was up to the limit of what could be carried by the railways, and depleted rolling stock; the demand for steel was more than could be produced or imported. Indeed our basic industries and services were limiting the nation's productive effort. By the end of 1946 we had reached a stage at which further expansion of our productive effort was vitally necessary but was extremely difficult unless industry could obtain more coal and power.

Situation in 1947

In 1947 Britain has not enough resources to do all that she wishes to do and barely enough to do all that must be done. The United Kingdom Government attaches the first importance in 1947 to providing payment for imports and to basic industries and services, particularly coal and power. Targets have been set and means to implement them will be discussed with management and trade union representatives.

Imports and exports are of fundamental importance, now and for some years to come. Failure to build up our export trade in the next two or three years so that we can afford to buy enough imports would mean continued food rationing, much less smoking and private motoring, widespread unemployment for lack of raw materials and inability to re-equip industry with the most modern machinery.

In 1947 Britain plans to increase her imports to 85% of the 1938 volume, compared with 70% in 1946. Britain's imports of food and raw materials are in any case limited by availability and by what she can afford.

This is how at the moment it seems as though the import programme for 1947 may work out. Britain may spend £725 millions on food and supplies for farms; £525 millions on supplies for industry, £60 millions on machinery and equipment, £55 millions on petroleum, £50 millions on tobacco, £35 millions on goods for the home market. These, of course, are very rough estimates, subject to continual change. In addition, Britain must find something like £175 millions in foreign currency to pay for the armed forces overseas and other net government overseas expenses. Altogether she must find about £1,625 millions. If she could obtain £1,200 millions by exports and £75 millions from invisible exports, this would leave £350 millions to be covered by net borrowing.

At the end of 1946 exports were running at a rate of about £1,100 millions a year and were still rising, but since then we have lost ground owing to the fuel crisis and it will take time to catch up. The export drive will therefore have to go on with rapidly increasing vigor, especially in the second half of the year, and the Government has set an export target, 140% of the 1938 volume to be reached by the end of 1947 as against a level of 110%-115% at the end of 1946.

We cannot expect this year to export coal, and we cannot much expand exports of steel or cotton textiles. Other forms of goods will have, therefore, to bear the brunt and exports of manufactured goods must rise about 165% of the 1938 volume.

In addition to the general problem of finding foreign currency, Britain has a special problem in finding dollars. This may mean that the draft upon the Canadian and United States credits, which stood at £955 millions at the beginning of 1947 will exceed the total deficit of £350 millions.

Targets for the Future

Four conclusions follow for 1947:

(1) An export target of 140% of the 1938 volume by the end of the year is of prime importance.

(2) Exports to the western hemisphere (and some European countries with which we have deficits, viz; Sweden, Switzerland and Portugal) are of particular importance, for they earn dollars or their equivalent and pay for essential imports from these countries.

(3) A close import control must be maintained, particularly of products which come predominantly from the western hemisphere.

(4) Home production must be increased along lines which contribute to these policies; agriculture and shipping are of major importance for this.

The long-term target for exports still stands at 175% of the 1938 volume. Britain will have to devote at least 25% of her manufacturing capacity to export in the future.

Coal — Everything in Britain depends on the production of enough coal. In 1947 we shall need more coal than in 1946 and in 1948 and 1949 we shall need still more. In 1946 we produced 189 million tons and consumed 194 million tons. Stocks were exhausted. The target for 1947 is a production of at least 200 million tons. This would be barely enough for our strict needs with most severe economy and for building up stocks with which to meet next winter. The first thing is to get more men into the mines. Poles are being recruited, and by these and other measures the number of miners will be substantially raised.

This alone is not sufficient. The output per miner must also go up. It has already begun to rise and the effort must be sustained. To close the gap we shall have to restrict drastically the use of coal, gas and electricity for everything except industry, and we shall have to go ahead with conversions of transport and industry to the burning of fuel-oil wherever that is suitable.

Power — In February Britain was forced to reduce the consumption of electricity by industry and in homes because of the failure in coal supplies, but even when there is adequate coal, generating capacity is not at present sufficient to supply the increased demands. In 1938, 24,000 million units were produced in Britain, in 1946 the figure was 46,000 million units and the demand was still rising at the beginning of this year. Little plant was added to generating stations during the war. The Central Electricity Board had rather less than 9 million kilowatts in service and the deficit this winter is 1.4 million kilowatts. Eight hundred thousand kilowatts of plant will be provided in 1947 and 2.6 millions by the end of 1949; but nevertheless the rising demand will mean an increasing deficit. For the winter of 1947-48 it is likely to rise to 1.6 million kilowatts and in the following winter to rather more.

Everything possible will be done by the use of smaller units and otherwise to increase generating capacity, but nevertheless drastic measures will have to be taken to keep down the domestic lead.

Steel — Two things contribute to the steel shortage, lack of imports and lack of coal. In 1947 there would be a capacity for increase in steel production over the high level of 1946, in which year the peacetime record of 13 million ingot tons was almost equalled. Shortage of coal is cutting down production at the mo-

(Continued on page 40)

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Should Canadians Be Made to Vote?

Canadian public men differ widely on the merits or demerits of compulsory voting, which has now been proposed in British Columbia. Some denounce it as undemocratic, and a form of regimentation, which will only antagonize indifferent voters. Others favor it, stating that penalties for nonvoting might bring wider appreciation of the right of the franchise. A few voice doubt whether the proposal would do either much good or much harm.

The Question: Do you consider compulsory voting, now proposed in British Columbia, a forward or backward step?

PROF. H. F. ANGUS, University of British Columbia.

I do not think that compulsory voting, as now proposed in British Columbia, will do either much good or much harm. Those who omit to vote today are probably not better qualified to vote than those who exercise their franchise. The technical arrangements for compulsory registration and voting cannot be fully effective unless they are both complicated and harsh. While it may be finally desirable to enfranchise Canadians of Asiatic race, it will not be easy to explain why a man forbidden to vote at one election will be punished if he does not vote at the next.

* * *

HON. W. M. ASELTINE, member of Canadian Senate, Rosetown, Sask.

It is time we quit coaxing people to vote. Compulsory voting, now proposed in British Columbia, is certainly a step in the right direction. People have been entirely too indifferent in respect to the exercising of their franchise and seem to be becoming more so all the time. Any one entitled to vote, who does not do so without good cause, should be disfranchised for at least one election and even after that should not be allowed to vote until he has applied for and obtained reinstatement. In that way he would be taught to value more highly this great privilege.

* * *

HON. CHARLES L. BISHOP, Member of Canadian Senate, Ottawa.

Personally I have little appreciation of compulsory voting. Election campaigns in Canada last from six to eight weeks. That period is ample for the appeals of the various political parties. If, after all this democratic and persuasive process, people will not bother to vote, forcing them to do so would be, I think, of little use. You can compel persons to go to the polls but if they are resentful, you cannot prevent them from deliberately spoiling their ballots. In Australia there is considerable of that. There, they have compulsory voting. The figures show that, on an average, 10% of ballots cast for the election of senators and 4% of those cast for the election of members of the House of Representatives are spoiled. In Canada the figure is considerably below 1%.

* * *

HON. W. A. BUCHANAN, Member of Canadian Senate, Lethbridge.

The citizen who does not vote is usually the severest critic of politicians and governments. He should be made either to vote or to shut up. I don't like compulsion but I am fed up with the non-voting fault finders. If they haven't a good explanation for not voting, then disfranchise them; either that, or force them to get out and cast a ballot, even if they spoil it. Probably they will then become more interested in public affairs and the men and parties that are to rule us.

* * *

HON. R. B. HORNER, Member of Canadian Senate, Ottawa.

I have been in favor of the B. C. move for 25 years. In all my experience, municipal, provincial and federal, those who did the most growling either did not vote or had to be drawn to the polls —a really d[illegible]eful situation.

* * *

THOMAS A. KING, Former Mayor, Moncton, N.B.

My answer is that any diplomatic move a government makes to cause the people to exercise their franchise at all elections is a step forward. A minimum of 80% of the electors should exercise their franchise. I also believe every voter should carry a personal photograph, something like a passport photo, to present when voting, to eliminate any possible impersonations. Some drastic legislation may be necessary to make democratic people appreciate the value of such a great gift as the franchise.

* * *

SOLON LOW, M.P., National Social Credit leader.

I think compulsory voting is decidedly a backward step. There are two problems in connection with the voting responsibilities of citizenship; namely, to get people to vote and to get them to vote intelligently. Compulsion can never accomplish the second. Only effective education in citizenship and aroused interest in the issue can do that. If those in authority conduct the people's affairs in a fairly democratic way, so that the people feel that their vote really counts for something worth while, they will be induced by a feeling of keen interest and sincere responsibility to get out and vote.

* * *

D. B. ROGERS, Editor, Leader-Post, Regina, Sask.

Compulsory voting is repugnant in every sense to the principles of true democracy. It is defeatist in conception and abortive in accomplishment. Furthermore, it is all too easy a step from compelling people to vote to dictating how they shall vote.

* * *

ALEX AITKEN, Commissioner, Board of Trade, Regina, Sask.

In my opinion it may be necessary to resort to compulsory voting if the number turning out to vote gets below a certain percentage of the total population. What that figure would be, I am not prepared to state. Compulsory voting would be far from ideal; in that sense, it would be a step backward. Nevertheless, it is a step that should be taken rather than deciding elections by a few people.

* * *

HORACE L. BRITTAIN, Managing Director and Secretary, Bureau of Municipal Research, Toronto.

You asked me whether or not I consider compulsory voting a forward or a backward step. I consider it neither, but as a step sideways. You can "take a horse to water but you can't make him drink." So a voter may be forced to go to the polls but he cannot be forced to express an informed, intelligent opinion unless he has one. To my mind the only real solution for the non-voting evil is an increase of intelligence and sense of responsibility in the voters, which will result in the whole franchise being exercised including nomination.

* * *

HAROLD CRABTREE, Chairman, Howard Smith Paper Mills Ltd., Montreal, and former president, Canadian Manufacturers' Association.

I consider that the right of franchise is not merely a privilege to be exercised at will, but is an obligation that should be discharged by every citizen who is privileged to vote. Election returns show that a comparatively large percentage of citizens so privileged is not exercising its franchise. I am of the opinion that the proposed compulsory voting by British Columbia is a step in the right direction if we are to have governments that properly represent the wishes of the Canadian people.

* * *

HON. W. D. EULER, Member of Canadian Senate, Kitchener, Ont.

Compulsory voting is not a forward step. It smacks of regimentation, of which we have already too much. The forced and consequently ignorant or indifferent vote is just as likely to be against the public interest as for it. Compulsion in a general way is an obnoxious principle. Compulsory voting was discontinued years ago in the Canadian House of Commons.

* * *

CHARLES McCREA, President, Toronto General Trusts Corp., and former Ontario Minister of Mines, Toronto.

Nobody knows the answer to compulsory voting until it is tried. It will be costly and aggravating; but the experiment in British Columbia will be watched with deep interest throughout Canada.

* * *

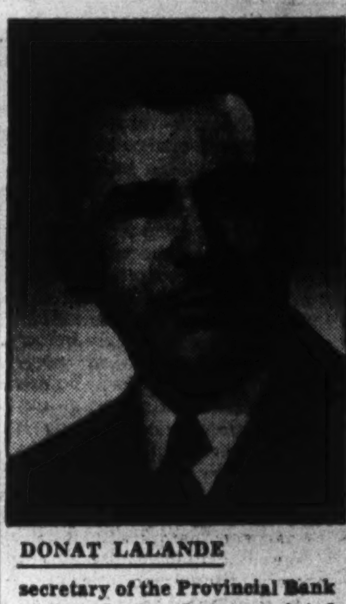
W. H. PRICE, K.C., Toronto, former Attorney-General of Ontario.

Yes. The people who fail to vote are invariably business and financial groups and leading citizens who disdain politics and who are also the greatest critics of public men. This enables minority groups to gain control of Parliamentary institutions and at the same time places tremendous strain on candidates and political organizations trying to get out the vote. Having carried a provincial riding for six consecutive general elections, I feel that anything that will bring out the vote is desirable.

* * *

W. J. PATTERSON, M.P., Former Premier of Saskatchewan.

In Saskatchewan the number of things which an individual is compelled to do is steadily increasing. Making it compulsory to vote would be only one more of these compulsions. Believing that responsible government operates best where the largest possible number of those governed takes an active interest and participation in the management of their public business, I favor any move that will increase this interest and participation. There must be better and more effective means of increasing individual appreciation of the responsibilities of the citizen in a democracy than making voting compulsory. Generally speaking, the extension of any form of compulsion applied by law reduces both the opportunity and the inclination of the citizen to decide and act in accordance with his individual conscience and intelligence.



DONAT LALANDE

secretary of the Provincial Bank of Canada, has been appointed general superintendent.

OSULAKE MINES has received payment for 100,000 shares at 50 cents and 100,000 shares at 60 cents a share. Issued capital, 2,800,005 shares.

LONDON CALLING—*By Adelphi*

London Bleaker Than During War "Augustans" Demand New Opposition

LONDON—This is the fifth week in London that the thermometer has stood below freezing point—the fifth week without a let up. Grim, bare, cold and colder yet grows the great city of seven millions; and the forecast says that it will continue very cold.

London was not built for cold. It is true that till Old London Bridge with its narrow archways was pulled down in 1831 the tide, slowed by the many arches, flowed more sluggishly and the Thames at Westminster was frozen solid in 1063 and 1434 and 1607 and 1740 and, for the last time, in 1814. But things were different then. For nine weeks there were coaches and horses driving over the ice, "great fires," I read, were blazing all the way from Westminster to Blackfriars', the Londoners thronged to Frost Fair to laugh at mountebanks and merry Andrews; and sheep and oxen—yes sheep and oxen, were roasted entire on the turnspit.

To this England in the year of grace, 1947, an ox roasted entire is as remote as the icthyosaurus; and talk of blazing fires is cruel. With a roasted ox and a blazing fire I would venture out to laugh at a merry Andrew. But on a morsel of cold canned meat, with a candle stub to light my typewriter and an electric grate, if I switch which on I shall be imprisoned, standing forlorn at my elbow, a frostbound London is a hell on earth.

* * *

Little Food for Body And None for the Mind

The life of the City stands still all day, while in half-empty offices the wretched clerks and typists with frozen, chillblained fingers, and tired eyes straining in the half light, sit in overcoat and muffler to get somehow through till the night, the black unlighted night, falls like a great stifling pall through which a few shivering wayfarers stumble over icy streets in a blackout, blacker in every sense than any we have known. There is no stimulus to the imagination; and while there is little enough food for the body, there is none for the mind.

The things most worth while have been the first casualties. Daily newspapers are down again to their four-page wartime size and they are chill reading at that. Cinemas and theatres open only at nights, when it is an adventure and an agony to venture out to them. Weekly papers, which afford the Englishman most of the intellectual stimulus within his reach, have all closed down indefinitely. The BBC third program, which could have supplied some comfort to us in our chilly rooms has been cut off completely. Never in the forty years that I have lived in London, the city where I was born and raised and lived my life, has the capital of Empire been sadder or so cheerless as at this day and hour.

An effort was made to save some weekly newspapers. Leaders of the Conservative and Liberal parties (with some Socialists, for many Socialists are very unhappy) pleaded in the Times for a respite for some of our independent and more thoughtful political weeklies. Anthony Eden heads the signatories, and the papers for which they plead are of all shades of opinion. The Spectator (Conservative) the New Statesman (Labor) Time and Tide (Independent) the Economist (Independent Liberal) and the Tribune (Left Independent) are singled out, for all these have excellent criticisms of music and the arts, contributed by our best writers; often in this tolerant Britain, of views violently opposed to those of the paper which prints their work. But the appeal was turned down. It would be invidious, the Government said, to declare any one weekly more vital than a trade journal like the Farmers Weekly or the Lancet.

* * *

Epoch in Journalism When "Punch" Missing

Still, the Government has incurred a good deal of criticism for suppressing just those papers which would have been most embarrassing to it in a crisis. I do not think this has been deliberate. But it is an epoch in British journalism when papers like Punch and the Economist miss their first number for more than a hundred years. All through four wars, despite strikes, blockades and air raids, they have come out steadily without failing on a single issue. Even when the offices of the British Medical Journal were bombed on the eve of publication the paper duly made its bow on the following morning.

True, the war also failed to stop the economic life of the country the way that this crisis has done; but to many Englishmen it comes as even more of a shock that they should be deprived of their freedom of thought and expression to this degree at the very moment that it seems most vital. The daily press, despite its shrinkage, has played up well and is reproducing in its meagre feature columns, the essential features of these frozen weeklies, without distinction of politics. The Conservative Evening standard for instance, carries the leading article from the Labor New Statesman. The Daily Mail gives hospitality both to the Spectator and to Hulton's Picture Post.

This has fallen out well, because the fifth crisis week has seen a political sensation which the orthodox Party Press would like to kill but which may transform the face of our political life. The Mail, and more particularly its star writer, Frank Owen, who sat in the 1929 Parliament and edited, with conspicuous success, the service newspaper, SEAC in Burma, India and the Indies, has taken it up with some enthusiasm. So has Picture Post.

* * *

"Augustan" Movement Seeks New Opposition

I referred a week or so ago to the rank and file breakaway of non-Socialists eager to form an opposition, and convinced that the present one does not fill the bill. Well, it has come into the open with a detailed economic policy under the head of "Freedom and Design," which carries a hundred well-known signatures of Conservatives, Liberals and Independents. Nearly all the Tory Reform M.P.'s have signed. Peter Thorneycroft (Monmouth) a junior minister in the National Government is there and Quintin Hogg, (Oxford) son of a Tory Lord Chancellor. The independent M.P. for Ormskirk in the last Parliament, Commander Stephen King Hall who issues a widely-read newspaper, is among the signatories. Lt.-Gen. Martell, head of the War Time Tank Mission to Russia figures as a Conservative along with Air Vice-Marshal Bennett, the leader of the R.A.F. Pathfinder Group, and Sir Hubert Young, a companion of Lawrence of Arabia who sign as Liberals.

There are 27 members of Parliament among the hundred-odd signatories. Already an organization has sprung into being to propagandize for "Freedom and Design," and has its branches in every county. They are called the Augustans and will sponsor further policies from the authors of the manifesto. They aim to be a parallel in the 20th century to the Fabians in the 19th. But it took the Fabians 60 years to see their work bear fruit in an over-all Socialist majority; and the non-Socialists in Britain will either expect the Augustans to move much faster than that, or return to the official Conservatives, which at the moment they show not the slightest sign of doing.

* * *

One thing that the frost has not nipped, is the enthusiasm of the Londoners for ballet. Although there is a blackout, and attending the Covent Garden performance usually means dispensing with the evening meal, there is still a queue among the sheds of the vegetable market in which we have chosen to set our Royal Opera House, to see the Sylphides and De Falla's thrilling three-cornered hat. It may be that this splash of color and romance has even enhanced its attractions, in a London so overwhelmingly and so uninterruptedly bleak and bare and grey.

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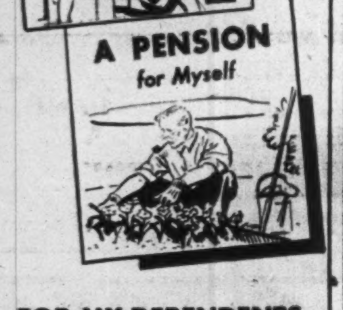

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WAR ASSETS CORPORATION

Gloomy British Outlook Listed in White Paper

(Continued from page 38)

ment. Altogether, the supply of finished steel for use in Britain should not be much below 9 million tons and this with great care should be sufficient to provide the essential needs of industry. Nevertheless, if the main industries using steel were to expand much further, the demand might become unmanageable. The Government therefore intends to discourage expansion of this group in 1947 relying on increased output per man to expand their production to the limits of available raw material. The long-term plan for the steel industry would need 16 million ingot tons of steel a year, assuming a home consumption of some 9.5 million tons of finished steel and exports of 2.25 million tons of finished steel.

Railways and Shipping—The chief task of the railways for 1947 is to make up arrears of equipment and maintenance. The load of traffic on the railways is still nearly 400 million ton-miles a week as against 326 million before the war. The shortage of rolling stock seriously curtailed railway capacity throughout the winter. The target for the shipbuilding industry in 1947 is 1.25 million gross tons, as well as a very large program of repair and conversion. Meanwhile Britain's merchant fleet is still only 13.9 million gross tons as compared with 17.4 millions in 1939 and must be restored as fast as possible.

Agriculture — British agriculture is now among the most highly mechanized in the world. It gained greatly in efficiency during the war and these gains must be held and extended. As soon as the world shortage of cereals is sufficiently relieved, the policy will be to switch back from crops for direct human consumption to livestock. Herds were drastically reduced during the war. Any additional feeding stuffs which we can get will be used mainly to increase pig and poultry breeding stock.

More farmworkers are needed. We shall soon be losing the prisoners-of-war. The Government will do what it can to provide houses for agricultural workers and mechanization will help to increase the output per man from the farms.

Building—Two major groups of problems hamper the building industry, manpower and raw materials. The total building labor force is now nearly equal to that before the war, but the output per man is far below. Timber, structural steel and clay products are all in short supply and in the circumstances the building program for 1947 is based on a labor force of 1.3 million. The timber shortage is critical and may prevent completion of the 1947 program for 240,000 permanent and 6,000 temporary houses. If so, adjustments will be made so as to use a greater proportion of the building force on such maintenance and repair work as does not use this source of materials. The Government attaches special importance to new factories in the development areas, which can put men and women back to work.

Capital Equipment — The demand for all kinds of industrial re-equipment is so enormous that strict priority must be established to prevent the most essential work from suffering. The exercise of this control may postpone some schemes which are of great value, but this is unavoidable. Long-term projects will have to take second place to those projects which can give quick help toward expanding the total national production. On this basis, the target is for distribution of work in roughly the following proportions: 48% will go to building and construction of which 20% will be for housing. The provision of plant will take 52% of which 9% will go to electricity, gas and telecommunications, 4% will be for roads, bridges, docks, harbors and canals; 15% will be for railways, road vehicles, shipping and civil aviation, 24% will be for industry, mining and agriculture. At least 15% more work on capital equipment will be done in 1947 than in a normal pre-war year.

Objectives for 1947

Having examined the economy as a whole, the Government has sought to frame a balanced series of objectives for 1947. They are:

1. Defense — Reduction in the armed forces from the December, 1946, level of 1,427,000 to 1,087,000 by the end of March, 1948, and a fall in the numbers of workers needed for supplying them.

2. Payment for Imports — Exports must be raised to 140% of the 1938 volume by the end of 1947.

3. Capital Equipment and Maintenance—The housing program is 240,000 new permanent houses and 6,000 temporary houses in 1947. The amount of capital equipment and maintenance work (other than work on houses) is to exceed that of a normal prewar year by at least 15%.

4. Consumption — Food supplies will not increase much in 1947 because of the world shortages. The shortage of most important manufactured consumer goods such as clothing and household textiles, pottery and furniture will necessarily continue. A steady effort must be made to increase supplies, but progress will inevitably be patchy, and will depend mainly upon the extent of fuel and labor shortages in various industries which produce these goods.

5. Public Service — The program for education, public health and national insurance are to go forward, and a proper degree of efficiency of public services maintained, with special attention to economy in manpower. The attainment of all these targets depends on the proper development of the basic industries and especially on coal.

Manpower

Britain's manpower force is both insufficient and its distribution unsatisfactory. Both factors must be corrected. At the end of 1946 there were 18.1 millions in civil employment. As the decision to raise the school-leaving age has been confirmed, some part of the increase due to further demobilization will be lost, and unless special measures are taken, the numbers are not likely to exceed 18.3 millions in 1947.

Everything possible will be done to make use of the unemployed surplus in the development areas by building new factories there; but though this policy will produce some results in 1947 its main effects will be seen later. The Government appeals to women to enter industry, especially such under-manned industries as textiles.

The industries concerned will need to adjust their conditions to suit women with households and they will have to take women part-time. The Government also appeals to older people to stay on at work instead of retiring.

Foreign labor can make a useful contribution. The Government intends to seek every means of using in civilian work those foreigners who are here or may by agreement come here. Foreign labor is the only substantial additional source of manpower available to us and with the full co-operation of Britain's employers and workers all difficulties can be overcome.

Distribution of Workers

There is also the problem of getting this manpower into the right places. The expansion of the coal mining labor force is priority number one. The next greatest need is for the expansion of other under-manned industries and particularly agriculture and the textile industries. Employment in the metal-using industries is already far in excess of the pre-war level and should not be expanded further, except in certain special instances. The building labor force should likewise not be expanded much further, but more workers are needed to produce building materials. Although the consumers services, such as distribution, catering and entertainment, are still well below the pre-war level, they are tending to attract too much of the manpower that is becoming available as a result of demobilization and it is of the utmost importance that only moderate increases should occur in these services in the immediate future.

But the Government has no direct control over the way in which manpower moves, and these objectives cannot be reached unless the whole nation will co-operate in attaining them.

With a limited labor force, the only way to raise the standard of living through increased production is by greater output per man. Not all the facts are known; the output per man in the coal industry and building is greatly below the pre-war level; in agriculture it is higher than before the war. In manufacturing and industry the evidence is not clear and the Government intends to ask industrial organizations to co-operate in establishing the true facts.

It is clear meanwhile that a general increase in output per man is essential if increased production is to be attained. Large resources have been allocated to industrial equipment and maintenance, and allocations of foreign exchange will be available for imports of machinery to increase efficiency. The Government also attached great importance to the introduction of systems of payment and other arrangements which provide maximum incentive to increased output.

The Government has fixed national objectives which cannot be achieved without an increase in output per man. The nation cannot afford shorter hours of work unless these can be shown to increase the output per man.

Conclusion

In this paper the Government has set out its conclusions on the economic state of the nation, and has fixed the targets and objectives for 1947. The central problem is coal and power and upon this everything else depends. The second problem is to expand the nation's labor force, to increase its output per man year, and above all to get men and women where they are needed most. These are essentials for increased national production. Next is the problem of payment for our imports and a necessary condition here is a steady recovery of our exports toward the target level of 140% of the 1938 volume, which must be reached by the end of the year.

The Government invites the attention of industry and the public to its plans; it intends to arrange discussions with both sides of each industry of the problems which arise from them; it will welcome constructive criticism and it is ready to modify its plans if a case for doing so is made out.

Success demands effort, and even more a constructive and flexible approach by both sides of industry to the problem of production. There is now no place for industrial arrangements which restrict production prices or employment. On the other hand, if the entire strength of industry—mining, manufacture, building, agriculture services—is wholeheartedly exerted for the attainment of the objectives set out in this paper, the Government is confident that our present difficulties will be overcome and that we shall succeed in carrying out the great tasks before us.

Island Tug & Barge, Victoria, Offers Bonds and Preferred

Public participation was invited in another British Columbia company with the recent offering of bonds and preferred stock of Island Tug & Barge Ltd., Victoria, B.C., by James Richardson & Sons.

Offered were $350,000 first (closed) mortgage bonds, to be dated Mar. 1, 1947, and consisting of $105,000 serial 3¼%'s due 1948-50, $105,000 serial 3½%'s due 1951-53 and $140,000 serial 4%'s due 1954-57. Earlier maturities were sold privately, while the 4%'s were offered at par and accrued interest. Also offered were 40,000 first 5% cumulative participating redeemable preference shares, par $10, at $10 a share to yield 5%.

Proceeds from both issues are to retire the company's bank loan, mortgages on two tugs, the company's 6% debentures and certain liabilities incurred on recent purchases of equipment with the balance for additional working capital.

Island Tug & Barge Ltd. was formed in 1943 to succeed Island Tug & Barge Co. which had been engaged in towing and affiliated fields since 1925 principally around Vancouver Island. Operations are continuous throughout the year and the company's customers include lumber and saw mills, pulp mills, oil companies, steamship companies, railway companies, logging companies, construction companies, etc.

Equipment consists of 15 tugs, seven large barges equipped for self-unloading, 18 flat scows, three special oil scows, and a floating steam derrick barge. Recently the company purchased several uncompleted landing ship tanks (L.S.T.'s), of which one has been converted into a log carrying barge. Total tonnage of floating plant grosses 22,675 tons.

Net tangible assets totalled $894,947 at Nov. 30, 1946, equal to about $2,557 for each $1,000 bond and $13.62 for each preferred share.

Profits for the year ended July 31, 1946, before taxes and non-recurring items, were $43,816, which does not reflect profits to be derived from the equipment recently acquired, the prospectus points out. Interest requirements on the new bonds will amount to $12,688 in the first year and $20,000 a year on the preferred.

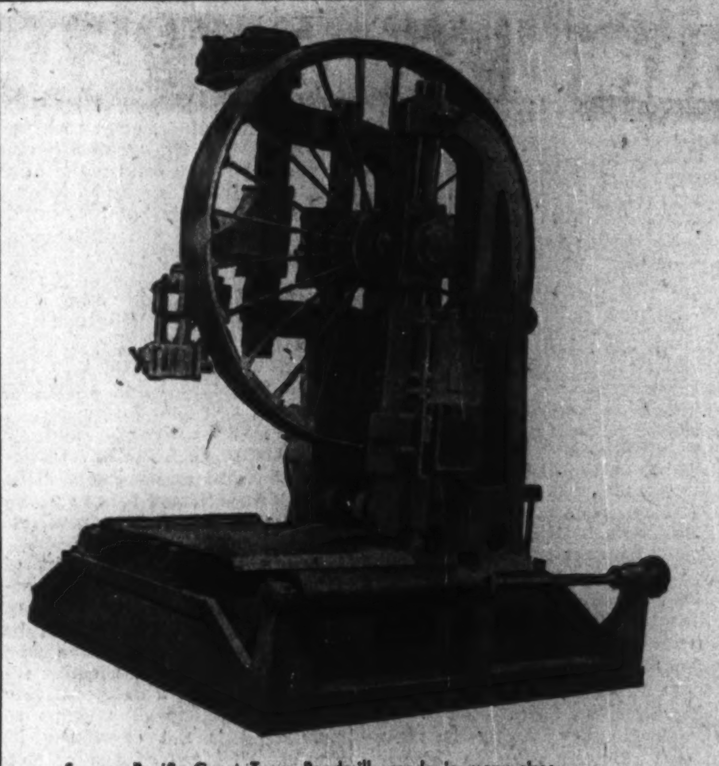
Directors include H. B. Elworthy, president; W. D. McLaren, vice-pres.; O. M. Prentice, sec.-treas.; H. O. Foss, K. L. Patton and A. B. Elworthy.

Reforest Plan Gets Under Way

Longest crop rotation in British Columbia, perhaps in all Canada, is the Douglas Fir. Each spring the provincial government, through its forest service sets out millions of young trees, which will not be ready for harvest for 80 to 100 years and if necessary can be left another five centuries to grow still bigger and harder. Western red cedars are also being planted.

Stock come from three government nurseries, on the mainland and Vancouver Island. Only about 3.5 million seedlings are being set out this spring but hereafter annual plantings are to be stepped up to 20 millions. Transplanting must be done early, just as soon as the snow melts, in order that the young trees may be firmly started before hot, drying summer weather. The large timber operators are co-operating with the government.

At about 1,000 trees to the acre the planting this year will only handle 3,500 acres of lands in need of reforesting. It is estimated that in the whole province there are at least 20 million acres that should be so treated. Some of this area if left alone and protected from fire and pests, will eventually reforest itself naturally but much has been so cleaned off by fire that man will have to take a hand.



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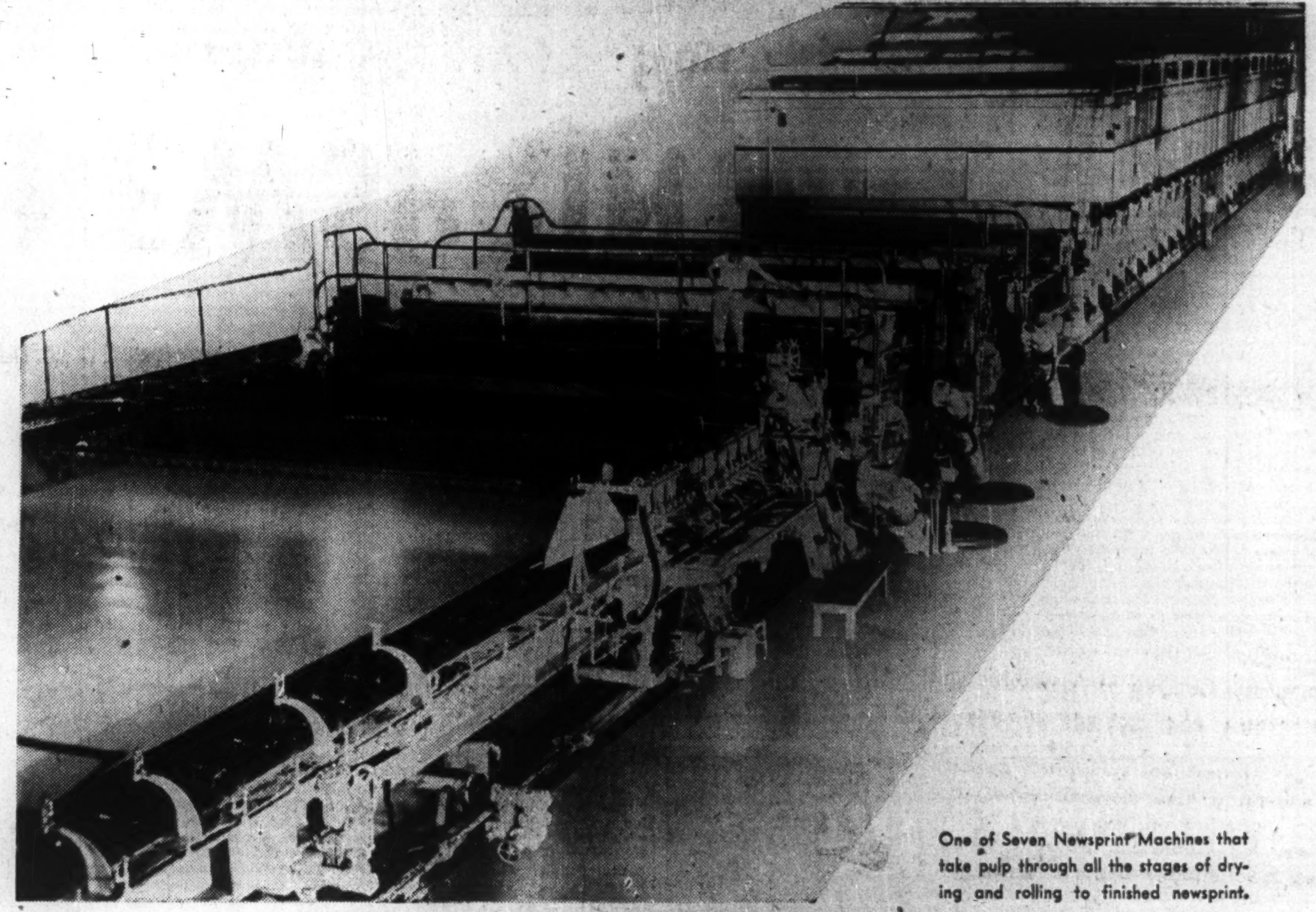

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